73D CONGRESS
2D SESSION

S. 3285

IN THE SENATE OF THE UNITED STATES

MARCH 28 (calendar day, APRIL 4), 1934

Mr. DILL introduced the following bill; which was read twice and referred to the Committee on Interstate Commerce

A BILL

To provide for the regulation of interstate and foreign communications by wire or radio, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—GENERAL PROVISIONS

PURPOSES OF ACT; CREATION OF FEDERAL COMMUNICATIONS COMMISSION

SECTION 1. For the purpose of regulating interstate and foreign commerce in communication by wire and radio so as to make available, so far as possible, to all the people of the United States a rapid, efficient, nation-wide, and world-wide wire and radio communication service with adequate facilities

1 at reasonable charges, for the purpose of the national defense,
2 and for the purpose of securing a more effective execution
3 of this policy by centralizing authority heretofore granted
4 by law to several agencies and by granting additional author-
5 ity with respect to interstate and foreign commerce in wire
6 and radio communication, there is hereby created a commis-
7 sion to be known as the "Federal Communications Com-
8 mission", which shall be constituted as hereinafter provided,
9 and which shall execute and enforce the provisions of this
10 Act.

11 APPLICATION OF ACT

12 SEC. 2. (a) The provisions of this Act shall apply to all
13 interstate and foreign communication by wire or radio and
14 all interstate and foreign transmission of energy by radio,
15 which originates and/or is received within the United States,
16 and to all persons engaged within the United States in such
17 communication or such transmission of energy by radio, and
18 to the licensing and regulating of all radio stations as herein-
19 after provided.

20 (b) Nothing in this Act shall be construed to apply, or
21 to give the Commission jurisdiction, with respect to charges,
22 classifications, practices, or regulations for or in connection
23 with intrastate wire communication service of any carrier,
24 or to any carrier engaged exclusively in intrastate wire
25 communication.

1 DEFINITIONS

2 SEC. 3. For the purposes of this Act, unless the context
3 otherwise requires—

4 (a) "Wire communication" or "communication by
5 wire" means the transmission of writing, signs, signals, pic-
6 tures, and sounds of all kinds by aid of wire, cable, or other
7 like connection between the points of origin and reception
8 of such transmission, including all instrumentalities, facilities,
9 apparatus, and services (among other things, the receipt,
10 forwarding, and delivery of communications) incidental to
11 such transmission.

12 (b) "Radio communication" or "communication by
13 radio" means the transmission by radio of writing, signs,
14 signals, pictures, and sounds of all kinds, including all instru-
15 mentalities, facilities, apparatus, and services (among other
16 things, the receipt, forwarding, and delivery of communica-
17 tions) incidental to such transmission.

18 (c) "Transmission of energy by radio" or "radio
19 transmission of energy" includes both such transmission and
20 all instrumentalities, facilities, and services incidental to such
21 transmission.

22 (d) "Interstate communication" or "interstate trans-
23 mission" means wire or radio communication or radio trans-
24 mission of energy (1) from any State, Territory, or posses-
25 sion of the United States (other than the Philippine Islands

1 and the Canal Zone), or the District of Columbia, to any
2 other State, Territory, or possession of the United States
3 (other than the Philippine Islands and the Canal Zone), or
4 the District of Columbia, (2) from or to the United States
5 to or from the Philippine Islands or the Canal Zone,
6 insofar as such communication or transmission takes place
7 within the United States, or (3) between points within the
8 United States but through a foreign country; but shall not
9 include wire communication between points within the
10 same State, Territory, or possession of the United States,
11 or the District of Columbia, through any place outside
12 thereof, if such communication is regulated by a State
13 commission.

14 (e) "Foreign communication" or "foreign trans-
15 mission" means communication or transmission from or to
16 any place in the United States to or from a foreign country,
17 insofar as such communication or transmission takes place
18 within the United States, or between a station in the United
19 States and a mobile station located outside the United States.

20 (f) "United States" means the several States and
21 Territories, the District of Columbia, and the possessions of
22 the United States, but does not include the Philippine Islands
23 or the Canal Zone.

24 (g) "Common carrier" or "carrier" means any
25 person engaged as a common carrier for hire, in interstate

1 or foreign communication by wire or radio or in interstate
2 or foreign radio transmission of energy, except where ref-
3 erence is made to common carriers not subject to this Act;
4 but a person engaged in radio broadcasting shall not, insofar
5 as such person is so engaged, be deemed a common carrier.
6 (h) "Person" includes an individual, partnership,
7 association, joint-stock company, or corporation.
8 (i) "Corporation" includes any corporation, joint-
9 stock company, or association.
10 (j) "Radio station" or "station" means a station
11 equipped to carry on radio communication or radio trans-
12 mission of energy.
13 (k) "Mobile station" means a radio-communica-
14 tion station capable of being moved and which ordinarily
15 does move.
16 (l) "Land station" means a station, other than a
17 mobile station, used for radio communication with mobile
18 stations.
19 (m) "Fixed station" means a station not capable of
20 being moved and communicating by radio with one or more
21 stations established in the same manner.
22 (n) "Mobile service" means the radio-communica-
23 tion service carried on between mobile stations and land sta-
24 tions, and by mobile stations communicating among them-
25 selves,

1 (o) " Broadcasting " means the dissemination of radio
2 communications intended to be received by the public,
3 directly or by the intermediary of relay stations.
4 (p) " Chain broadcasting " means simultaneous broad-
5 casting of an identical program by two or more connected
6 stations.
7 (q) "Amateur station " means a radio station oper-
8 ated by a duly authorized person interested in radio technique
9 solely with a personal aim and without pecuniary interest.
10 (r) " Telephone exchange service " means service
11 within a telephone exchange, or within a connected system
12 of telephone exchanges within the same exchange area
13 operated to furnish to subscribers intercommunicating serv-
14 ice of the character ordinarily furnished by a single
15 exchange.
16 (s) " Telephone toll service " means telephone service
17 between stations in different exchange areas for which there
18 is made a separate charge not included in contracts with
19 subscribers for exchange service.
20 (t) " State commission " means the commission, board,
21 or official (by whatever name designated) which under the
22 laws of any State, Territory, or possession of the United
23 States, or the District of Columbia, has regulatory jurisdic-
24 tion with respect to intrastate operations of carriers.

1 (u) "Commission" means the Federal Communica-
2 tions Commission (or either division of such Commission
3 with respect to matters within the jurisdiction of such
4 division).

5 PROVISIONS RELATING TO THE COMMISSION

6 SEC. 4. (a) The Federal Communications Commis-
7 sion shall be composed of five commissioners appointed by
8 the President, by and with the advice and consent of the
9 Senate, one of whom the President shall designate as
10 chairman.

11 (b) Each member of the Commission shall be a
12 citizen of the United States. No member of the Commis-
13 sion or person in its employ shall be financially interested
14 in the manufacture or sale of radio apparatus or of appa-
15 ratus for wire or radio communication; in communication by
16 wire or radio or in radio transmission of energy; in any
17 company furnishing supplies or services to any company
18 engaged in communication by wire or radio or to any com-
19 pany manufacturing or selling apparatus used for communi-
20 cation by wire or radio; or in any company owning stocks,
21 bonds, or other securities of any such company; nor be
22 in the employ of or hold any official relation to any person
23 subject to any of the provisions of this Act, nor own stocks,
24 bonds, or other securities of any corporation subject to any

1 of the provisions of this Act. Such commissioners shall not
2 engage in any other business, vocation, or employment.
3 Not more than three commissioners, nor more than one
4 member of a division other than the chairman, shall be
5 members of the same political party.

6 (c) The commissioners first appointed under this Act
7 shall continue in office for the terms of two, three, four,
8 five, and six years, respectively, from the date of the taking
9 effect of this Act, the term of each to be designated by the
10 President, but their successors shall be appointed for terms
11 of six years; except that any person chosen to fill a vacancy
12 shall be appointed only for the unexpired term of the com-
13 missioner whom he succeeds. Any commissioner may be
14 removed by the President for inefficiency, neglect of duty,
15 or malfeasance in office, but for no other cause. No vacancy
16 in the Commission shall impair the right of the remaining
17 commissioners to exercise all the powers of the Commission.

18 (d) Each commissioner shall receive an annual salary
19 of $10,000, payable in monthly installments.

20 (e) The principal office of the Commission shall be in
21 the District of Columbia, where its general sessions shall be
22 held; but whenever the convenience of the public or of the
23 parties may be promoted or delay or expense prevented
24 thereby, the Commission may hold special sessions in any
25 part of the United States.

1 (f) Without regard to the civil service laws or the
2 Classification Act of 1923, as amended, (1) the Commis-
3 sion may appoint and prescribe the duties and fix the
4 salaries of a secretary, a chief engineer and one or more
5 assistant chief engineers, a general counsel and one or more
6 assistants, experts, and special counsel, and (2) each com-
7 missioner may appoint and prescribe the duties of an as-
8 sistant at an annual salary not to exceed $4,000 per annum.
9 The general counsel and the chief engineer shall each re-
10 ceive an annual salary of not to exceed $9,000; and no
11 assistant or expert shall receive an annual salary in excess
12 of $7,500 per annum. The Commission shall have
13 authority, subject to the provisions of the civil service laws
14 and the Classification Act of 1923, as amended, to appoint
15 such other officers, examiners, engineers, inspectors, and
16 other employees as are necessary in the execution of its
17 functions.

18 (g) The Commission may make such expenditures
19 (including expenditures for rent and personal services at
20 the seat of government and elsewhere, for office supplies,
21 law books, periodicals, and books of reference, and for print-
22 ing and binding) as may be necessary for the execution
23 of the functions vested in the Commission and as from time
24 to time may be appropriated for by Congress. All expendi-
25 tures of the Commission, including all necessary expenses

1 for transportation incurred by the commissioners or by their
2 employees, under their orders, in making any investigation
3 or upon any official business in any other places than in the
4 city of Washington, shall be allowed and paid on the
5 presentation of itemized vouchers therefor approved by the
6 chairman of the Commission or by such other member or
7 officer thereof as may be designated by the Commission for
8 that purpose.

9 (h) Three members of the Commission shall con-
10 stitute a quorum thereof and two members shall consti-
11 tute a quorum of a division. The Commission shall have
12 an official seal which shall be judicially noticed.

13 (i) The Commission may perform any and all acts,
14 make such rules and regulations, and issue such orders, not
15 inconsistent with this Act, as may be necessary in the
16 execution of its functions.

17 (j) The Commission may conduct its proceedings in
18 such manner as will best conduce to the proper dispatch of
19 business and to the ends of justice. No commissioner shall
20 participate in any hearing or proceeding in which he has a
21 pecuniary interest. Any party may appear before the
22 Commission and be heard in person or by attorney. Every
23 vote and official act of the Commission shall be entered of
24 record, and its proceedings shall be public upon the request
25 of any party interested. The Commission is authorized to

1 withhold publication of records or proceedings containing
2 secret information affecting the national defense.

3 (k) The Commission shall make an annual report
4 to Congress, copies of which shall be distributed as are
5 other reports transmitted to Congress. Such report shall
6 contain such information and data collected by the Commis-
7 sion as may be considered of value in the determination of
8 questions connected with the regulation of interstate and
9 foreign wire and radio communication and radio transmis-
10 sion of energy, together with such recommendations as to
11 additional legislation relating thereto as the Commission may
12 deem necessary: *Provided,* That the Commission shall make
13 a special report not later than February 1, 1935, recom-
14 mending such amendments to this Act as it deems desirable
15 in the public interest.

16 (l) All reports of investigations made by the Com-
17 mission shall be entered of record, and a copy thereof shall
18 be furnished to the party who may have complained, and
19 to any common carrier or licensee that may have been
20 complained of.

21 (m) The Commission shall provide for the publication
22 of its reports and decisions in such form and manner as may
23 be best adapted for public information and use, and such
24 authorized publications shall be competent evidence of the
25 reports and decisions of the Commission therein contained

1 in all courts of the United States and of the several States
2 without any further proof or authentication thereof.

3 DIVISIONS OF THE COMMISSION; JURISDICTION OF
4 COMMISSION AND DIVISIONS

5 SEC. 5. (a) The Commission shall be organized into
6 two divisions which shall exercise the jurisdiction of the
7 Commission as follows: (1) The Radio Division shall have
8 jurisdiction of the issuance, modification, renewal, revoca-
9 tion, and suspension of licenses of all radio stations and all
10 matters incident thereto, including the promulgation and
11 enforcement of regulations concerning the proper technical
12 operation of said stations, but not including the manner and
13 kind of service to be rendered by common carriers by radio,
14 and shall have complete jurisdiction of radio broadcasting and
15 the amateur service, and (2) the Telegraph and Tele-
16 phone Division shall have jurisdiction of all matters relating
17 to or connected with record or telephone communication
18 by wire, radio, or cable (other than matters within the
19 jurisdiction of the Radio Division), including all forms
20 of fixed and mobile radio telegraph and radio tele-
21 phone service. The chairman of the Commission shall
22 be a member of both divisions; two other com-
23 missioners, one of whom for each division shall be chosen
24 chairman thereof, shall be assigned by the Commission as mem-
25 bers of each division. Except for the chairman no member of

1 the Commission may be a member of more than one division;
2 but in case of a vacancy in any division, or of absence or
3 inability to serve thereon of any commissioner thereto
4 assigned, any commissioner designated by the chairman for
5 that purpose may temporarily serve on said division until the
6 Commission shall otherwise order.

7 (b) The whole Commission shall have jurisdiction of
8 (1) all matters arising under this Act which do not fall
9 within the jurisdiction of a division, as above prescribed;
10 (2) all matters which fall within the jurisdiction of more
11 than one division; (3) the assignment of bands of frequencies
12 to the various classes of radio service; and (4) the regula-
13 tion of charges made for the use of wires in connection with
14 broadcasting, and the provisions of this Act relating to valua-
15 tion of property of carriers, reports of carriers, or persons
16 directly or indirectly controlling or controlled by, or under
17 direct or indirect common control with, any carrier, and
18 accounts, records, and memoranda to be kept by carriers,
19 and depreciation charges in respect of property of carriers.
20 In any case where a conflict arises under this section as to
21 jurisdiction of a division the Commission shall decide which
22 division shall have jurisdiction of the matter, and the decision
23 of the Commission shall be final.

24 (c) Each division may (1) appoint a director, with-
25 out regard to the civil service laws or the Classification Act

1 of 1923, as amended, at an annual salary which shall not
2 exceed $8,000 per annum; and (2) hear and determine,
3 order, certify, report, or otherwise act as to any matter under
4 its jurisdiction, and in respect thereof the division shall have
5 all the jurisdiction and powers conferred by law upon the
6 Commission, and be subject to the same duties and obliga-
7 tions. Any action so taken by a division and any order,
8 decision, or report made or other action taken by either of
9 said divisions in respect of any matters assigned to it shall
10 have the same force and effect, and may be made, evidenced,
11 and enforced in the same manner as if made or taken by the
12 Commission. The secretary and seal of the Commission
13 shall be the secretary and seal of each division thereof.
14 (d) The director for each division shall exercise such
15 of the functions thereof as may be vested in him by the
16 division, but any order of the director shall be subject to
17 review by the division under such rules and regulations
18 as the Commission shall prescribe.

19 **TITLE II—COMMON CARRIERS**

20 SERVICE AND CHARGES

21 SEC. 201. (a) It shall be the duty of every common
22 carrier engaged in interstate or foreign communication by
23 wire or radio to furnish such communication service upon
24 reasonable request therefor; and, in accordance with the

1 orders of the Commission, in cases where the Commission,
2 after opportunity for hearing, finds such action necessary or
3 desirable in the public interest, (1) to establish physical con-
4 nections with other carriers, (2) to establish through routes
5 and charges applicable thereto and the divisions of such
6 charges, and to establish and provide facilities and regula-
7 tions for operating such through routes.

8 (b) All charges, practices, classifications, and regula-
9 tions for and in connection with such communication service.
10 shall be just and reasonable, and any such charge, practice,
11 classification, or regulation that is unjust or unreason-
12 able is hereby declared to be unlawful: *Provided,* That
13 communications by wire or radio subject to this Act may be
14 classified into day, night, repeated, unrepeated, letter, com-
15 mercial, press, Government, and such other classes as the
16 Commission may decide to be just and reasonable, and
17 different charges may be made for the different classes of
18 communications: *Provided further,* That nothing in this
19 Act or in any other provision of law shall be construed to
20 prevent a common carrier subject to this Act from entering
21 into or operating under any contract with any common
22 carrier not subject to this Act, for the exchange of their
23 services, if the Commission is of the opinion that such
24 contract is not contrary to the public interest.

1 DISCRIMINATION AND PREFERENCES

2 SEC. 202. (a) It shall be unlawful for any common
3 carrier to discriminate in charges, practices, classifications,
4 regulations, facilities, or services for or in connection with
5 such communication service, directly or indirectly, by any
6 means or device, or to make or give any undue or unreason-
7 able preference or advantage to any particular person, class
8 of persons, or locality, or to subject any particular person,
9 class of persons, or locality to any undue or unreasonable
10 prejudice or disadvantage.

11 (b) Charges or services, whenever referred to in this
12 Act, include charges for, or services in connection with,
13 the use of wires in chain broadcasting or incidental to radio
14 communication of any kind.

15 SCHEDULES OF CHARGES

16 SEC. 203. (a) Every common carrier shall file with
17 the Commission and print and keep open to public
18 inspection schedules showing all charges for interstate and
19 foreign wire or radio communication between the dif-
20 ferent points on its own system, and between points on
21 its own system and points on the system of any other
22 carrier subject to this Act when a through route has been
23 established, whether such charges are joint or separate,
24 and showing the classifications, practices, and regula-
25 tions affecting such charges. Such schedules shall contain

1 such other information, and be printed in such form, and
2 be posted and kept open for public inspection in such places,
3 as the Commission may by regulations require, and each
4 such schedule shall give notice of its effective date.

5 (b) No change shall be made in the charges, classifi-
6 cations, regulations, or practices which have been so filed
7 and published except after thirty days' notice to the Com-
8 mission and to the public, which shall be published in such
9 form and contain such information as the Commission may
10 by regulations prescribe; but the Commission may, in its
11 discretion and for good cause shown, modify the require-
12 ments made by or under authority of this section in particular
13 instances or by a general order applicable to special circum-
14 stances or conditions.

15 (c) No carrier, unless otherwise provided by or under
16 authority of this Act, shall engage or participate in such
17 communication unless schedules have been filed and pub-
18 lished in accordance with the provisions of this Act and with
19 the regulations made thereunder; and no carrier shall (1)
20 charge, demand, collect, or receive a greater or less or differ-
21 ent compensation for such communication, or for any service
22 in connection therewith, between the points named in any
23 such schedule than the charges specified in the schedule then
24 in effect, or (2) refund or remit by any means or device
25 any portion of the charges so specified, or (3) extend to

1 any person any privileges or facilities in such communica-
2 tion, or employ or enforce any classifications, regulations,
3 or practices affecting such charges, except as specified in
4 such schedule.

5 (d) The Commission may reject and refuse to file
6 any schedule entered for filing which does not provide and
7 give lawful notice of its effective date. Any schedule so
8 rejected by the Commission shall be void and its use shall be
9 unlawful.

10 (e) In case of failure or refusal on the part of any
11 carrier to comply with the provisions of this section or of
12 any regulation or order made by the Commission thereunder,
13 such carrier shall forfeit to the United States the sum of
14 $500 for each such offense, and $25 for each and every
15 day of the continuance of such offense.

16 HEARING AS TO LAWFULNESS OF NEW CHARGES;
17 SUSPENSION

18 SEC. 204. Whenever there is filed with the Commis-
19 sion any new charge, classification, regulation, or practice,
20 the Commission may either upon complaint or upon its own
21 initiative without complaint, upon reasonable notice, enter
22 upon a hearing concerning the lawfulness thereof; and pend-
23 ing such hearing and the decision thereon the Commission,
24 upon delivering to the carrier or carriers affected thereby

1 a statement in writing of its reasons for such suspension, may
2 suspend the operation of such charge, classification, regula-
3 tion, or practice, but not for a longer period than three months
4 beyond the time when it would otherwise go into effect; and
5 after full hearing the Commission may make such order with
6 reference thereto as would be proper in a proceeding initiated
7 after it had become effective. If the proceeding has not been
8 concluded and an order made within the period of the sus-
9 pension, the proposed change of charge, classification, regu-
10 lation, or practice shall go into effect at the end of such
11 period; but in case of a proposed increased charge, the Com-
12 mission may by order require the interested carrier or car-
13 riers to keep accurate account of all amounts received by
14 reason of such increase, specifying by whom and in whose
15 behalf such amounts are paid, and upon completion of the
16 hearing and decision may by further order require the
17 interested carrier or carriers to refund, with interest, to
18 the persons in whose behalf such amounts were paid, such
19 portion of such increased charges as by its decision shall
20 be found not justified. At any hearing involving a charge
21 increased, or sought to be increased, after the organization
22 of the Commission, the burden of proof to show that the
23 increased charge, or proposed increased charge, is just and
24 reasonable shall be upon the carrier, and the Commission

1 shall give to the hearing and decision of such questions
2 preference over all other questions pending before it and
3 decide the same as speedily as possible.

4 COMMISSION AUTHORIZED TO PRESCRIBE JUST AND
5 REASONABLE CHARGES

6 SEC. 205. (a) Whenever, after full opportunity for
7 hearing, upon a complaint or under an order for investigation
8 and hearing made by the Commission on its own initiative,
9 the Commission shall be of opinion that any charge, classifi-
10 cation, regulation, or practice of any carrier or carriers is or
11 will be in violation of any of the provisions of this Act, the
12 Commission is authorized and empowered to determine and
13 prescribe what will be the just and reasonable charge to be
14 thereafter observed, and what classification, regulation, or
15 practice is or will be just, fair, and reasonable, to be
16 thereafter followed, and to make an order that the
17 carrier or carriers shall cease and desist from such violation
18 to the extent that the Commission finds that the same
19 does or will exist, and shall not thereafter publish, demand,
20 or collect any charge other than the charge so prescribed,
21 and shall adopt the classification and shall conform to and
22 observe the regulation or practice so prescribed.

23 (b) Any carrier, any officer, representative, or agent
24 of a carrier, or any receiver, trustee, lessee, or agent of

1 either of them, who knowingly fails or neglects to obey any
2 order made under the provisions of this section shall forfeit
3 to the United States the sum of $1,000 for each offense.
4 Every distinct violation shall be a separate offense, and in
5 case of continuing violation each day shall be deemed a
6 separate offense.

7 LIABILITY OF CARRIERS FOR DAMAGES

8 SEC. 206. In case any common carrier shall do, or
9 cause or permit to be done, any act, matter, or thing
10 in this Act prohibited or declared to be unlawful, or shall
11 omit to do any act, matter, or thing in this Act required to be
12 done, such common carrier shall be liable to the person
13 or persons injured thereby for the full amount of damages
14 sustained in consequence of any such violation of the provi-
15 sions of this Act, together with a reasonable counsel or
16 attorney's fee, to be fixed by the court in every case of
17 recovery, which attorney's fee shall be taxed and collected
18 as part of the costs in the case.

19 RECOVERY OF DAMAGES

20 SEC. 207. Any person claiming to be damaged by any
21 common carrier subject to the provisions of this Act may
22 either make complaint to the Commission as hereinafter
23 provided for, or may bring suit for the recovery of the
24 damages for which such common carrier may be liable

1 under the provisions of this Act, in any district court of the
2 United States of competent jurisdiction; but such person
3 shall not have the right to pursue both such remedies.

4 COMPLAINTS TO THE COMMISSION

5 SEC. 208. Any person, any body politic or municipal
6 organization, or State commission, complaining of anything
7 done or omitted to be done by any common carrier subject to
8 this Act, in contravention of the provisions thereof, may
9 apply to said Commission by petition which shall briefly state
10 the facts, whereupon a statement of the complaint thus
11 made shall be forwarded by the Commission to such
12 common carrier, who shall be called upon to satisfy the
13 complaint or to answer the same in writing within a reason-
14 able time to be specified by the Commission. If such com-
15 mon carrier within the time specified shall make reparation
16 for the injury alleged to have been caused, the common
17 carrier shall be relieved of liability to the complainant only
18 for the particular violation of law thus complained of. If
19 such carrier or carriers shall not satisfy the complaint within
20 the time specified or there shall appear to be any reasonable
21 ground for investigating said complaint, it shall be the duty
22 of the Commission to investigate the matters complained of
23 in such manner and by such means as it shall deem proper.
24 No complaint shall at any time be dismissed because of the
25 absence of direct damage to the complainant.

1 ORDERS FOR PAYMENT OF MONEY

2 SEC. 209. If, after hearing on a complaint, the Com-
3 mission shall determine that any party complainant is
4 entitled to an award of damages under the provisions of
5 this Act, the Commission shall make an order directing the
6 carrier to pay to the complainant the sum to which he is
7 entitled on or before a day named.

8 FRANKS AND PASSES

9 SEC. 210. Nothing in this Act or in any other provi-
10 sion of law shall be construed to prohibit common carriers
11 from issuing or giving franks to, or exchanging franks with
12 each other for the use of, their officers, agents, employees, and
13 their families, or, subject to such rules as the Commission
14 may prescribe, from issuing, giving, or exchanging franks
15 and passes to or with other common carriers not subject to
16 the provisions of this Act, for the use of their officers, agents,
17 employees, and their families.

18 COPIES OF CONTRACTS TO BE FILED

19 SEC. 211. (a) Every carrier subject to this Act shall
20 file with the Commission copies of all contracts, agreements,
21 or arrangements with other carriers, or with common car-
22 riers not subject to the provisions of this Act, in relation to
23 any traffic affected by the provisions of this Act to which it
24 may be a party.

1 (b) The Commission shall have authority to require
2 the filing of any other contracts of any carrier, and shall
3 also have authority to exempt any carrier from submitting
4 copies of such minor contracts as the Commission may
5 determine.

6 INTERLOCKING DIRECTORATES—OFFICIALS DEALING IN
7 SECURITIES

8 SEC. 212. After sixty days from the enactment of this
9 Act it shall be unlawful for any person to hold the position of
10 officer or director of more than one carrier subject to this Act,
11 unless such holding shall have been authorized by order of the
12 Commission, upon due showing in form and manner pre-
13 scribed by the Commission, that neither public nor private
14 interests will be adversely affected thereby. After this sec-
15 tion takes effect it shall be unlawful for any officer or director
16 of any such carrier to receive for his own benefit, directly or
17 indirectly, any money or thing of value in respect of nego-
18 tiation, hypothecation, or sale of any securities issued or to
19 be issued by such carrier, or to share in any of the proceeds
20 thereof, or to participate in the making or paying of any
21 dividends of such carrier from any funds properly included
22 in capital account.

23 VALUATION OF CARRIER PROPERTY

24 SEC. 213. (a) The Commission may from time to
25 time, as may be necessary for the proper administration of

1 this Act, and after opportunity for hearing, make a valuation
2 of all or of any part of the property owned or used by any
3 carrier subject to this Act, as of such date as the Commission
4 may fix.

5 (b) The Commission may at any time require any
6 such carrier to file with the Commission an inventory of
7 all or of any part of the property owned or used by said
8 carrier, which inventory shall show the units of said property
9 classified in such detail, and in such manner, as the Commis-
10 sion shall direct, and shall show the estimated cost of repro-
11 duction new of said units, and their reproduction cost new less
12 depreciation, as of such date as the Commission may direct;
13 and such carrier shall file such inventory within such reason-
14 able time as the Commission by order shall require.

15 (c) The Commission may at any time require any
16 such carrier to file with the Commission a statement showing
17 the original cost at the time of dedication to the public use
18 of all or of any part of the property owned or used by said
19 carrier. For the showing of such original cost said property
20 shall be classified, and the original cost shall be defined, in
21 such manner as the Commission may prescribe; and if any
22 part of such cost cannot be determined from accounting or
23 other records, the portion of the property for which such
24 cost cannot be determined shall be reported to the Commis-
25 sion; and, if the Commission shall so direct, the original cost

1 thereof shall be estimated in such manner as the Commission
2 may prescribe. If the carrier owning the property at the
3 time such original cost is reported shall have paid more or
4 less than the original cost to acquire the same, the amount
5 of such cost of acquisition, and any facts which the Commis-
6 sion may require in connection therewith, shall be reported
7 with such original cost. The report made by a carrier under
8 this paragraph shall show the source or sources from which
9 the original cost reported was obtained, and such other infor-
10 mation as to the manner in which the report was prepared,
11 as the Commission shall require.

12 (d) Nothing shall be included in the original cost
13 reported for the property of any carrier under paragraph (c)
14 of this section on account of any easement, license, or
15 franchise granted by the United States or by any State
16 or political subdivision thereof, beyond the reasonable
17 necessary expense lawfully incurred in obtaining such
18 easement, license, or franchise from the public authority
19 aforesaid, which expense shall be reported separately from
20 all other costs in such detail as the Commission may re-
21 quire; and nothing shall be included in any valuation of
22 the property of any carrier made by the Commission on
23 account of any such easement, license, or franchise, beyond
24 such reasonable necessary expense lawfully incurred as
25 aforesaid.

1 (e) The Commission shall keep itself informed of all
2 new construction, extensions, improvements, retirements, or
3 other changes in the condition, quantity, use, and classifica-
4 tion of the property of common carriers, and of the cost of
5 all additions and betterments thereto and of all changes in
6 the investment therein, and may keep itself informed of
7 current changes in costs and values of carrier properties.
8 (f) For the purpose of enabling the Commission
9 to make a valuation of any of the property of any such
10 carrier, or to find the original cost of such property, or to
11 find any other facts concerning the same which are required
12 for use by the Commission, it shall be the duty of each such
13 carrier to furnish to the Commission, within such reasonable
14 time as the Commission may order, any information with re-
15 spect thereto which the Commission may by order require, in-
16 cluding copies of maps, contracts, reports of engineers, and
17 other data, records, and papers, and to grant to all agents of the
18 Commission free access to its property and its accounts,
19 records, and memoranda whenever and wherever requested
20 by any such duly authorized agent, and to cooperate with
21 and aid the Commission in the work of making any such
22 valuation or finding in such manner and to such extent as the
23 Commission may require and direct, and all rules and regula-
24 tions made by the Commission for the purpose of administer-
25 ing this section shall have the full force and effect of law.

1 Unless otherwise ordered by the Commission, with the
2 reasons therefor, the records and data of the Commission
3 shall be open to the inspection and examination of the public.
4 The Commission, in making any such valuation shall be free
5 to adopt any method of valuation which shall be lawful.

6 (g) Notwithstanding any provision of this Act the
7 Interstate Commerce Commission, if requested to do so by
8 the Commission, shall complete, at the earliest practicable
9 date, such valuations of properties of carriers subject to this
10 Act as are now in progress, and shall thereafter transfer
11 to the Commission the records relating thereto.

12 EXTENSION OF LINES

13 SEC. 214. (a) No carrier shall undertake the extension
14 of any line, or the construction of a new line, or shall acquire
15 or operate any line, or extension thereof, or shall engage in
16 transmission over or by means of such additional or extended
17 line, unless and until there shall first have been obtained from
18 the Commission a certificate that the present or future public
19 convenience and necessity require or will require the con-
20 struction, or operation, or construction and operation, of such
21 additional or extended line: *Provided,* That the authority
22 conferred upon the Commission by this section shall not
23 extend to the construction, operation, or extension of (1) a
24 line within a single State, unless said line constitutes part of
25 an interstate line, or (2) local, branch, or terminal lines not

1 exceeding ten miles in length: *Provided further,* That the
2 Commission may, upon appropriate request being made,
3 authorize temporary or emergency service without regard
4 to the provisions of this section.

5 (b) Upon receipt of an application for any such
6 certificate the Commission shall cause notice thereof to
7 be given to and a copy filed with the Governor of each
8 State in which such additional or extended line is proposed
9 to be constructed or operated, with the right to be heard
10 as provided with respect to the hearing of complaints; and
11 said notice shall also be published for three consecutive
12 weeks in some newspaper of general circulation in each
13 county which said line will serve, as determined by the
14 Commission.

15 (c) The Commission shall have power to issue such
16 certificate as prayed for, or to refuse to issue it, or to issue
17 it for a portion or portions of a line, or extension thereof,
18 described in the application, or for the partial exercise
19 only of such right or privilege, and may attach to the
20 issuance of the certificate such terms and conditions as in
21 its judgment the public convenience and necessity may
22 require. After issuance of such certificate, and not before,
23 the carrier may, without securing approval other than such
24 certificate, comply with the terms and conditions contained
25 in or attached to the issuance of such certificate and proceed

1 with the construction, operation, or extension covered there-
2 by. Any construction, operation, or extension contrary to
3 the provisions of this section may be enjoined by any court
4 of competent jurisdiction at the suit of the United States,
5 the Commission, the State commission, any State affected,
6 or any party in interest.

7 (d) The Commission may, after full opportunity for
8 hearing, in a proceeding upon complaint or upon its own
9 initiative without complaint, authorize or require by order
10 any carrier, party to such proceeding, to provide itself
11 with adequate facilities for performing its service as a
12 common carrier and to extend its line; but no such authori-
13 zation or order shall be made unless the Commission finds,
14 as to such extension, that it is reasonably required in the
15 interest of public convenience and necessity, or as to such
16 extension or facilities that the expense involved therein will
17 not impair the ability of the carrier to perform its duty to the
18 public. Any carrier which refuses or neglects to comply with
19 any order of the Commission made in pursuance of this para-
20 graph shall forfeit to the United States $100 for each day
21 during which such refusal or neglect continues.

22 TRANSACTIONS RELATING TO SERVICES, EQUIPMENT, AND
23 SO FORTH

24 SEC. 215. The Commission shall examine into trans-
25 actions entered into by any common carrier which relate to

1 the furnishing of equipment, supplies, research, services,
2 finances, credit, or personnel to such carrier and/or which
3 may affect the charges made or to be made and/or the serv-
4 ices rendered or to be rendered by such carrier, in wire or
5 radio communication subject to this Act, and shall report to
6 the Congress whether any such transactions have affected or
7 are likely to affect adversely the ability of the carrier to ren-
8 der adequate service to the public, or may result in any undue
9 or unreasonable increase in charges or in the maintenance of
10 undue or unreasonable charges for such service. The Com-
11 mission shall include in its report its recommendations for
12 necessary legislation in connection with such transactions and
13 shall report specifically whether in its opinion legislation
14 should be enacted (1) authorizing the Commission to declare
15 any such transactions void or to permit such transactions to
16 be carried out subject to such modification of their terms and
17 conditions as the Commission shall deem desirable in the
18 public interest; and/or (2) subjecting such transactions to
19 the approval of the Commission where the person furnishing
20 or seeking to furnish the equipment, supplies, research,
21 services, finances, credit, or personnel is a person directly or
22 indirectly controlling or controlled by, or under direct or
23 indirect common control with, such carrier; and/or (3)
24 authorizing the Commission to require that all or any trans-
25 actions of carriers involving the furnishing of equipment,

1 supplies, research, services, finances, credit, or personnel to
2 such carrier be upon competitive bids on such terms and con-
3 ditions and subject to such regulations as it shall prescribe as
4 necessary in the public interest.

5 APPLICATION OF ACT TO RECEIVERS AND TRUSTEES

6 SEC. 216. The provisions of this Act shall apply to all
7 receivers and operating trustees of carriers subject to this
8 Act to the same extent that it applies to carriers.

9 LIABILITY OF CARRIER FOR ACTS AND OMISSIONS OF
10 AGENTS

11 SEC. 217. In construing and enforcing the provisions
12 of this Act, the act, omission, or failure of any officer, agent,
13 or other person acting for or employed by any common
14 carrier or user, acting within the scope of his employment,
15 shall in every case be also deemed to be the act, omission,
16 or failure of such carrier or user as well as that of the
17 person.

18 INQUIRIES INTO MANAGEMENT

19 SEC. 218. The Commission may inquire into the
20 management of the business of all carriers subject to this
21 Act, and shall keep itself informed as to the manner and
22 method in which the same is conducted and as to technical
23 developments and improvements in wire and radio com-
24 munication and radio transmission of energy to the end that
25 the benefits of new inventions and developments may be

1 made available to the people of the United States. The
2 Commission may obtain from such carriers and from persons
3 directly or indirectly controlling or controlled by, or under
4 direct or indirect common control with, such carriers full
5 and complete information necessary to enable the Commis-
6 sion to perform the duties and carry out the objects for
7 which it was created.

8 ANNUAL AND OTHER REPORTS

9 SEC. 219. (a) The Commission is authorized to re-
10 quire annual reports under oath from all carriers subject
11 to this Act, and from persons directly or indirectly controlling
12 or controlled by, or under direct or indirect common con-
13 trol with, any such carrier, to prescribe the manner in
14 which such reports shall be made, and to require from such
15 persons specific answers to all questions upon which the
16 Commission may need information. Such annual reports
17 shall show in detail the amount of capital stock issued, the
18 amount and privileges of each class of stock, the amounts
19 paid therefor, and the manner of payment for the same; the
20 dividends paid and the surplus fund, if any; the number of
21 stockholders (and the names of all holders of 5 per centum
22 or more of any class of stock) ; the funded and floating debts
23 and the interest paid thereon; the cost and value of the
24 carrier's property, franchises, and equipments; the number
25 of employees and the salaries paid each class; the names of

1 all officers and directors, and the amount of salary, bonus,
2 and all other compensation paid to each; the amounts ex-
3 pended for improvements each year, how expended, and the
4 character of such improvements; the earnings and receipts
5 from each branch of business and from all sources; the
6 operating and other expenses; the balances of profit and
7 loss; and a complete exhibit of the financial operations of the
8 carrier each year, including an annual balance sheet. Such
9 reports shall also contain such information in relation to
10 charges or regulations concerning charges, or agreements,
11 arrangements, or contracts affecting the same, as the Com-
12 mission may require.

13 (b) Such reports shall be for such twelve months'
14 period as the Commission shall designate and shall be filed with
15 the Commission at its office in Washington within three months
16 after the close of the year for which the report is made, unless
17 additional time is granted in any case by the Commission;
18 and if any person subject to the provisions of this section
19 shall fail to make and file said annual reports within the
20 time above specified, or within the time extended by the
21 Commission, for making and filing the same, or shall fail
22 to make specific answer to any question authorized by the
23 provisions of this section within thirty days from the time
24 it is lawfully required so to do, such person shall forfeit to
25 the United States the sum of $100 for each and every day

1 it shall continue to be in default with respect thereto. The
2 Commission may by general or special orders require any
3 such carriers to file monthly reports of earnings and ex-
4 penses and to file periodical and/or special reports concern-
5 ing any matters with respect to which the Commission is
6 authorized or required by law to act; and such periodical or
7 special reports shall be under oath whenever the Commission
8 so requires. If any such carrier shall fail to make and file
9 any such periodical or special report within the time fixed by
10 the Commission, it shall be subject to the forfeitures above
11 provided.

12 ACCOUNTS, RECORDS, AND MEMORANDA; DEPRECIATION
13 CHARGES

14 SEC. 220. (a) The Commission may, in its discretion,
15 prescribe the forms of any and all accounts, records, and
16 memoranda to be kept by carriers subject to this Act, in-
17 cluding the accounts, records, and memoranda of the move-
18 ment of traffic, as well as of the receipts and expenditures
19 of moneys.

20 (b) The Commission shall, as soon as practicable,
21 prescribe for such carriers the classes of property for
22 which depreciation charges may be properly included under
23 operating expenses, and the percentages of depreciation
24 which shall be charged with respect to each of such classes
25 of property, classifying the carriers as it may deem proper

1 for this purpose. The Commission may, when it deems
2 necessary, modify the classes and percentages so pre-
3 scribed. Such carriers shall not, after the Commis-
4 sion has prescribed the classes of property for which
5 depreciation charges may be included, charge to operating
6 expenses any depreciation charges on classes of property
7 other than those prescribed by the Commission, or, after
8 the Commission has prescribed percentages of depreciation,
9 charge with respect to any class of property a percentage
10 of depreciation other than that prescribed therefor by the
11 Commission. No such carrier shall in any case include
12 in any form under its operating or other expenses any
13 depreciation or other charge or expenditure included else-
14 where as a depreciation charge or otherwise under its
15 operating or other expenses.

16 (c) The Commission shall at all times have access to
17 and the right of inspection and examination of all accounts,
18 records, and memoranda, including all documents, papers,
19 and correspondence now or hereafter existing, and kept or
20 required to be kept by such carriers, and the provisions of
21 this section respecting the preservation and destruction of
22 books, papers, and documents shall apply thereto. The
23 burden of proof to justify every accounting entry questioned
24 by the Commission shall be on the person making, author-
25 izing, or requiring such entry and the Commission may

1 suspend a charge or credit pending submission of proof by
2 such person. Any provision of law prohibiting the dis-
3 closure of the contents of messages or communications shall
4 not be deemed to prohibit the disclosure of any matter in
5 accordance with the provisions of this section.

6 (d) In case of failure or refusal on the part of any
7 such carrier to keep such accounts, records, and memo-
8 randa on the books and in the manner prescribed by the
9 Commission, or to submit such accounts, records, and memo-
10 randa as are kept to the inspection of the Commission or
11 any of its authorized agents, such carrier shall forfeit to the
12 United States the sum of $500 for each day of the
13 continuance of each such offense.

14 (e) Any person who shall willfully make any false
15 entry in the accounts of any book of accounts or in any
16 record or memoranda kept by any such carrier, or who shall
17 willfully destroy, mutilate, alter, or by any other means or
18 device falsify any such account, record, or memoranda, or
19 who shall willfully neglect or fail to make full, true, and
20 correct entries in such accounts, records, or memoranda of
21 all facts and transactions appertaining to the business of the
22 carrier, shall be deemed guilty of a misdemeanor, and shall
23 be subject, upon conviction, to a fine of not less than $1,000
24 nor more than $5,000 or imprisonment for a term of not less
25 than one year nor more than three years, or both such fine

1 and imprisonment: *Provided,* That the Commission may in
2 its discretion issue orders specifying such operating, account-
3 ing, or financial papers, records, books, blanks, or documents
4 which may, after a reasonable time, be destroyed, and pre-
5 scribing the length of time such books, papers, or documents
6 shall be preserved.

7 (f) No member, officer, or employee of the Commis-
8 sion shall divulge any fact or information which may come
9 to his knowledge during the course of examination of
10 books or other accounts, as hereinbefore provided, except
11 insofar as he may be directed by the Commission or by a
12 court.

13 (g) After the Commission has prescribed the forms
14 and manner of keeping of accounts, records, and mem-
15 oranda to be kept by any person as herein provided,
16 it shall be unlawful for such person to keep any other
17 accounts, records, or memoranda than those so prescribed or
18 such as may be approved by the Commission or to keep the
19 accounts in any other manner than that prescribed or
20 approved by the Commission. Notice of alterations by the
21 Commission in the required manner or form of keeping
22 accounts shall be given to such persons by the Commission
23 at least six months before the same are to take effect.

24 (h) The Commission may classify carriers subject to
25 this Act and prescribe different requirements under this
26 section for different classes of carriers.

1 (i) The Commission, before prescribing any require-
2 ments as to accounts, records, or memoranda, shall notify
3 each State commission having jurisdiction with respect to
4 any carrier involved, and shall give reasonable opportunity
5 to each such commission to present its views, and shall
6 receive and consider such views and recommendations.

7 (j) The Commission shall investigate and report to
8 the Congress whether in its opinion legislation is desirable
9 (1) authorizing the Commission to except the carriers of
10 any particular class or classes in any State from any of the
11 requirements under this section in cases where such carriers
12 are subject to State commission regulation with respect to
13 matters to which this section relates; and (2) permitting the
14 State commissions, in pursuance of authority granted under
15 State law, to prescribe their own percentage rates of depre-
16 ciation or systems of accounts, records, or memoranda to
17 be kept by carriers.

18 SPECIAL PROVISIONS RELATING TO TELEPHONE COMPANIES

19 SEC. 221. (a) Upon application of one or more tele-
20 phone companies for authority to consolidate their prop-
21 erties or a part thereof into a single company, or for au-
22 thority for one or more such companies to acquire the whole
23 or any part of the property of another telephone company
24 or other telephone companies or the control thereof by the
25 purchase of securities or by lease or in any other like man-

1 ner, when such consolidated company would be subject to
2 this Act, the Commission shall fix a time and place for a
3 public hearing upon such application and shall thereupon
4 give reasonable notice in writing to the Governor of each of
5 the States in which the physical property affected, or any
6 part thereof, is situated, and to the State commission having
7 jurisdiction over telephone companies, and to such other
8 persons as it may deem advisable. After such public hear-
9 ing, if the Commission finds that the proposed consolidation,
10 acquisition, or control will be of advantage to the persons
11 to whom service is to be rendered and in the public interest,
12 it shall certify to that effect; and thereupon any Act or
13 Acts of Congress making the proposed transaction unlawful
14 shall not apply. Nothing in this subsection shall be con-
15 strued as in any wise limiting or restricting the powers of
16 the several States to control and regulate telephone
17 companies.

18 (b) Nothing in this Act shall be construed to apply,
19 or to give the Commission jurisdiction, with respect to
20 charges, classifications, practices, or regulations for or in
21 connection with wire telephone exchange service, even
22 though a portion of such exchange service constitutes inter-
23 state or foreign communication, in any case where such
24 matters are subject to regulation by a State commission,

1 (c) For the purpose of administering this Act as
2 to carriers engaged in wire telephone communication, the
3 Commission may classify the property of any such carrier
4 used for wire telephone communication, and determine what
5 property of said carrier shall be considered as used in inter-
6 state or foreign telephone toll service. Such classification
7 shall be made after hearing, upon notice to the carrier, the
8 State commission (or the Governor, if the State has no State
9 commission) of any State in which the property of said
10 carrier is located, and such other persons as the Commission
11 may prescribe.

12 (d) In making a valuation of the property of any wire
13 telephone carrier the Commission, after making the classi-
14 fication authorized in this section, may in its discretion
15 value only that part of the property of such carrier deter-
16 mined to be used in interstate or foreign telephone toll
17 service.

18 **TITLE III—SPECIAL PROVISIONS RELATING TO**
19 **RADIO**

20 LICENSE FOR RADIO COMMUNICATION OR TRANSMISSION
21 OF ENERGY

22 SEC. 301. It is the purpose of this Act, among other
23 things, to maintain the control of the United States over
24 all the channels of interstate and foreign radio transmission;

1 and to provide for the use of such channels, but not the
2 ownership thereof, by persons for limited periods of time,
3 under licenses granted by Federal authority, and no such
4 license shall be construed to create any right, beyond the
5 terms, conditions, and periods of the license. No person
6 shall use or operate any apparatus for the transmission of
7 energy or communications or signals by radio (a) from
8 one place in any Territory or possession of the United States
9 or in the District of Columbia to another place in the same
10 Territory, possession, or District; or (b) from any State,
11 Territory, or possession of the United States, or from the
12 District of Columbia to any other State, Territory, or pos-
13 session of the United States; or (c) from any place in any
14 State, Territory, or possession of the United States, or in
15 the District of Columbia, to any place in any foreign country
16 or to any vessel; or (d) within any State when the effects
17 of such use extend beyond the borders of said State, or when
18 interference is caused by such use or operation with the
19 transmission of such energy, communications, or signals
20 from within said State to any place beyond its borders, or
21 from any place beyond its borders to any place within said
22 State, or with the transmission or reception of such energy,
23 communications, or signals from and/or to places beyond
24 the borders of said State; or (e) upon any vessel or aircraft

1 of the United States; or (f) upon any other mobile
2 stations within the jurisdiction of the United States, except
3 under and in accordance with this Act and with a license
4 in that behalf granted under the provisions of this Act.

5 ZONES

6 SEC. 302. (a) For the purposes of this Act the United
7 States is divided into five zones, as follows: The first zone
8 shall embrace the States of Maine, New Hampshire, Ver-
9 mont, Massachusetts, Connecticut, Rhode Island, New York,
10 New Jersey, Delaware, Maryland, and the District of Colum-
11 bia; the second zone shall embrace the States of Pennsyl-
12 vania, Virginia, West Virginia, Ohio, Michigan, and Ken-
13 tucky; the third zone shall embrace the States of North
14 Carolina, South Carolina, Georgia, Florida, Alabama, Ten-
15 nessee, Mississippi, Arkansas, Louisiana, Texas, and Okla-
16 homa; the fourth zone shall embrace the States of Indiana,
17 Illinois, Wisconsin, Minnesota, North Dakota, South
18 Dakota, Iowa, Nebraska, Kansas, and Missouri; and the
19 fifth zone shall embrace the States of Montana, Idaho, Wyo-
20 ming, Colorado, New Mexico, Arizona, Utah, Nevada,
21 Washington, Oregon, and California.

22 (b) The Virgin Islands, Puerto Rico, Alaska, Guam,
23 American Samoa, and the Territory of Hawaii are expressly
24 excluded from the zones herein established.

1 GENERAL POWERS OF COMMISSION

2 SEC. 303. Except as otherwise provided in this Act,
3 the Commission from time to time, as public convenience,
4 interest, or necessity requires, shall—

5 (a) Classify radio stations;

6 (b) Prescribe the nature of the service to be rendered
7 by each class of licensed stations and each station within
8 any class;

9 (c) Assign bands of frequencies to the various classes
10 of stations, and assign frequencies for each individual station
11 and determine the power which each station shall use and
12 the time during which it may operate;

13 (d) Determine the location of classes of stations or
14 individual stations;

15 (e) Regulate the kind of apparatus to be used with
16 respect to its external effects and the purity and sharpness
17 of the emissions from each station and from the apparatus
18 therein;

19 (f) Make such regulations not inconsistent with law as
20 it may deem necessary to prevent interference between sta-
21 tions and to carry out the provisions of this Act: *Provided,*
22 *however,* That changes in the frequencies, authorized power,
23 or in the times of operation of any station, shall not be made
24 without the consent of the station licensee unless, after a
25 public hearing, the Commission shall determine that such

1 changes will promote public convenience or interest or will
2 serve public necessity, or the provisions of this Act will be
3 more fully complied with;
4 (g) Study new uses for radio, provide for experimental
5 uses of frequencies, and generally encourage the larger and
6 more effective use of radio in the public interest;
7 (h) Have authority to establish areas or zones to be
8 served by any station;
9 (i) Have authority to make special regulations appli-
10 cable to radio stations engaged in chain broadcasting;
11 (j) Have authority to make general rules and regula-
12 tions requiring stations to keep such records of programs,
13 transmissions of energy, communications, or signals as it
14 may deem desirable;
15 (k) Have authority to exclude from the requirements
16 of any regulations in whole or in part any radio station
17 upon railroad rolling stock, or to modify such regulations in
18 its discretion;
19 (l) Have authority to prescribe the qualifications of
20 station operators, to classify them according to the duties
21 to be performed, to fix the forms of such licenses, and to
22 issue them to such citizens of the United States as the Com-
23 mission finds qualified;
24 (m) Have authority to suspend the license of any oper-
25 ator for a period not exceeding two years upon proof suffi-

1 cient to satisfy the Commission that the licensee (1) has
2 violated any provision of any Act or treaty binding on the
3 United States which the Commission is authorized by this
4 Act to administer or any regulation made by the Com-
5 mission under any such Act or treaty; or (2) has failed
6 to carry out the lawful orders of the master of the vessel on
7 which he is employed; or (3) has willfully damaged or per-
8 mitted radio apparatus to be damaged; or (4) has trans-
9 mitted superfluous radio communications or signals or radio
10 communications containing profane or obscene words or
11 language; or (5) has willfully or maliciously interfered with
12 any other radio communications or signals;

13 (n) Have authority to inspect all transmitting ap-
14 paratus to ascertain whether in construction and operation
15 it conforms to the requirements of this Act, the rules and
16 regulations of the Commission, and the license under which
17 it is constructed or operated;

18 (o) Have authority to designate call letters of all
19 stations;

20 (p) Have authority to cause to be published such
21 call letters and such other announcements and data as in
22 the judgment of the Commission may be required for the
23 efficient operation of radio stations subject to the jurisdiction
24 of the United States and for the proper enforcement of this
25 Act;

1 (q) Have authority to require the painting and/or
2 illumination of radio towers if and when in its judgment
3 such towers constitute, or there is a reasonable possibility
4 that they may constitute, a menace to air navigation.

5 WAIVER BY LICENSEE

6 SEC. 304. No station license shall be granted by the
7 Commission until the applicant therefor shall have signed a
8 waiver of any claim to the use of any particular frequency
9 or of the ether as against the regulatory power of the United
10 States because of the previous use of the same, whether by
11 license or otherwise.

12 GOVERNMENT-OWNED STATIONS

13 SEC. 305. (a) Radio stations belonging to and operated
14 by the United States shall not be subject to the provisions
15 of sections 301 and 303 of this Act. All such Government
16 stations shall use such frequencies as shall be assigned to
17 each or to each class by the President. All such stations,
18 except stations on board naval and other Government vessels
19 while at sea or beyond the limits of the continental United
20 States, when transmitting any radio communication or signal
21 other than a communication or signal relating to Government
22 business, shall conform to such rules and regulations designed
23 to prevent interference with other radio stations and the
24 rights of others as the Commission may prescribe.

1 (b) Radio stations on board vessels of the United
2 States Shipping Board Bureau or the United States Shipping
3 Board Merchant Fleet Corporation or the Inland and Coast-
4 wise Waterways Service shall be subject to the provisions
5 of this Act.

6 (c) All stations owned and operated by the United
7 States, except mobile stations of the Army of the United
8 States, and all other stations on land and sea, shall have
9 special call letters designated by the Commission.

10 FOREIGN SHIPS

11 SEC. 306. Section 301 of this Act shall not apply to
12 any person sending radio communications or signals on a
13 foreign ship while the same is within the jurisdiction of the
14 United States, but such communications or signals shall be
15 transmitted only in accordance with such regulations de-
16 signed to prevent interference as may be promulgated under
17 the authority of this Act.

18 ALLOCATION OF FACILITIES; TERM OF LICENSES

19 SEC. 307. (a) The Commission, if public convenience,
20 interest, or necessity will be served thereby, subject to the
21 limitations of this Act, shall grant to any applicant therefor
22 a station license provided for by this Act.

23 (b) It is hereby declared that the people of all the
24 zones established by this title are entitled to equality
25 of radio broadcasting service, both of transmission and

1 of reception, and in order to provide said equality the
2 Commission shall as nearly as possible make and maintain
3 an equal allocation of broadcasting licenses, of bands of
4 frequency, of periods of time for operation, and of station
5 power, to each of said zones when and insofar as there are
6 applications therefor; and shall make a fair and equitable
7 allocation of licenses, frequencies, time for operation, and
8 station power to each of the States and the District of
9 Columbia, within each zone, according to population. The
10 Commission shall carry into effect the equality of broadcast-
11 ing service hereinbefore directed, whenever necessary or
12 proper, by granting or refusing licenses or renewals of
13 licenses, by changing periods of time for operation, and by
14 increasing or decreasing station power, when applications
15 are made for licenses or renewals of licenses: *Provided,*
16 That if and when there is a lack of applications from
17 any zone for the proportionate share of licenses, fre-
18 quencies, time of operation, or station power to which such
19 zone is entitled, the Commission may issue licenses for the
20 balance of the proportion not applied for from any zone, to
21 applicants from other zones for a temporary period of
22 ninety days each, and shall specifically designate that
23 said apportionment is only for said temporary period.
24 Allocations shall be charged to the State or District

1 wherein the studio of the station is located and not where
2 the transmitter is located: *Provided further,* That no fre-
3 quency used for broadcasting shall be reserved for the
4 use of one station for a distance of more than two thou-
5 sand two hundred miles, airline, if any person, capable
6 of rendering radio service in the public interest, make
7 application to operate broadcasting apparatus on any fre-
8 quency so reserved, at a point beyond the distance of two
9 thousand two hundred miles, airline, from the station or
10 stations already licensed and operating on said frequency,
11 and all applications and licenses considered and granted
12 under this provision shall not be counted as a part of the
13 quota of the zone in which said additional stations are
14 located: *Provided further,* That the Commission may, with-
15 out regard to quota restrictions, also grant applications for
16 additional licenses for stations not exceeding two hundred and
17 fifty watts of power if the Commission finds that such stations
18 will serve the public convenience, interest, or necessity, and
19 that their operation will not interfere with the fair and effi-
20 cient radio service of stations licensed under the provisions
21 of this section.

22 (c) The Commission shall study the proposal that
23 Congress by statute allocate fixed percentages of radio broad-
24 casting facilities to particular types or kinds of radio programs
25 or to persons identified with particular types or kinds of

1 activities, and shall report to Congress its recommendations
2 together with the reasons for the same.

3 (d) No license granted for the operation of a broad-
4 casting station shall be for a longer term than one year and no
5 license so granted for any other class of station shall be for
6 a longer term than three years, and any license granted may
7 be revoked as hereinafter provided. Upon the expiration
8 of any license, upon application therefor, a renewal of such
9 license may be granted from time to time for a term of not
10 to exceed one year in the case of broadcasting licenses and
11 not to exceed three years in the case of other licenses, but
12 action of the Commission with reference to the granting of
13 such application for the renewal of a license shall be limited
14 to and governed by the same considerations and practice
15 which affect the granting of original applications.

16 (e) No renewal of an existing station license shall
17 be granted more than thirty days prior to the expiration of
18 the original license.

19 APPLICATIONS FOR LICENSES; CONDITIONS IN LICENSE FOR
20 FOREIGN COMMUNICATION

21 SEC. 308. (a) The Commission may grant licenses,
22 renewal of licenses, and modification of licenses only upon
23 written application therefor received by it: *Provided, how-*
24 *ever,* That in cases of emergency found by the Commission,
25 licenses, renewals of licenses, and modifications of licenses,

1 for stations on vessels or aircraft of the United States, may
2 be issued under such conditions as the Commission may
3 impose, without such formal application. Such licenses,
4 however, shall in no case be for a longer term than three
5 months: *Provided further*, That the Commission may issue
6 by cable, telegraph, or radio a permit for the operation of a
7 station on a vessel of the United States at sea, effective in
8 lieu of a license until said vessel shall return to a port of
9 the continental United States.

10 (b) All such applications shall set forth such facts as
11 the Commission by regulation may prescribe as to the citi-
12 zenship, character, and financial, technical, and other quali-
13 fications of the applicant to operate the station; the owner-
14 ship and location of the proposed station and of the sta-
15 tions, if any, with which it is proposed to communicate;
16 the frequencies and the power desired to be used; the
17 hours of the day or other periods of time during which
18 it is proposed to operate the station; the purposes for which
19 the station is to be used; and such other information as it
20 may require. The Commission, at any time after the filing
21 of such original application and during the term of any such
22 license, may require from an applicant or licensee further
23 written statements of fact to enable it to determine whether
24 such original application should be granted or denied or
25 such license revoked. Such application and/or such state-

1 ment of fact shall be signed by the applicant and/or licensee
2 under oath or affirmation.

3 (c) The Commission in granting any license for a
4 station intended or used for commercial communication
5 between the United States or any Territory or possession,
6 continental or insular, subject to the jurisdiction of the
7 United States, and any foreign country, may impose any
8 terms, conditions, or restrictions authorized to be imposed
9 with respect to submarine-cable licenses by section 2 of an
10 Act entitled "An Act relating to the landing and the opera-
11 tion of submarine cables in the United States", approved
12 May 24, 1921.

13 HEARINGS ON APPLICATIONS FOR LICENSES; FORM OF
14 LICENSES; CONDITIONS ATTACHED TO LICENSES

15 SEC. 309. (a) If upon examination of any application
16 for a station license or for the renewal or modification of a
17 station license the Commission shall determine that public
18 interest, convenience, or necessity would be served by the
19 granting thereof, it shall authorize the issuance, renewal,
20 or modification thereof in accordance with said finding. In
21 the event the Commission upon examination of any such
22 application does not reach such decision with respect there-
23 to, it shall notify the applicant thereof, shall fix and give
24 notice of a time and place for hearing thereon, and shall

1 afford such applicant an opportunity to be heard under such
2 rules and regulations as it may prescribe.

3 (b) Such station licenses as the Commission may
4 grant shall be in such general form as it may prescribe, but
5 each license shall contain, in addition to other provisions,
6 a statement of the following conditions to which such license
7 shall be subject:

8 (1) The station license shall not vest in the licensee
9 any right to operate the station nor any right in the use of
10 the frequencies designated in the license beyond the term
11 thereof nor in any other manner than authorized therein.

12 (2) Neither the license nor the right granted there-
13 under shall be assigned or otherwise transferred in violation
14 of this Act.

15 (3) Every license issued under this Act shall be sub-
16 ject in terms to the right of use or control conferred by
17 section 606 hereof.

18 LIMITATION ON HOLDING AND TRANSFER OF LICENSES

19 SEC. 310. (a) The station license required hereby shall
20 not be granted to or held by—

21 (1) Any alien or the representative of any alien;

22 (2) Any foreign government or the representa-
23 tive thereof;

24 (3) Any corporation organized under the laws
25 of any foreign government;

1 (4) Any corporation of which any officer or
2 director is an alien or of which more than one fifth of
3 the capital stock is owned of record or voted by aliens
4 or their representatives or by a foreign government or
5 representative thereof, or by any corporation organized
6 under the laws of a foreign country;
7 (5) Any corporation directly or indirectly con-
8 trolled by any other corporation of which any officer
9 or more than one fourth of the directors are aliens, or of
10 which more than one fourth of the capital stock is owned
11 of record or voted, after June 1, 1935, by aliens, their
12 representatives, or by a foreign government or repre-
13 sentative thereof, or by any corporation organized under
14 the laws of a foreign country: *Provided, however,* That
15 nothing herein shall prevent the licensing of radio ap-
16 paratus on board any vessel, aircraft, or other mobile
17 station of the United States when the installation and
18 use of such apparatus is required by Act of Congress
19 or any treaty to which the United States is a party.
20 (b) The station license required hereby, the frequencies
21 authorized to be used by the licensee, and the rights therein
22 granted shall not be transferred, assigned, or in any manner
23 either voluntarily or involuntarily disposed of, or indirectly
24 by transfer of control of any corporation holding such
25 license, to any person, unless the Commission shall, after

1 securing full information, decide that said transfer is in the
2 public interest, and shall give its consent in writing.

3 REFUSAL OF LICENSES AND PERMITS IN CERTAIN CASES

4 SEC. 311. The Commission is hereby directed to refuse
5 a station license and/or the permit hereinafter required for
6 the construction of a station to any person, or to any person
7 directly or indirectly controlled by such person, which has
8 been finally adjudged guilty by a Federal court of unlawfully
9 monopolizing or attempting unlawfully to monopolize, after
10 this Act takes effect, radio communication, directly or
11 indirectly, through the control of the manufacture or sale
12 of radio apparatus, through exclusive traffic arrangements,
13 or by any other means, or to have been using unfair methods
14 of competition. The granting of a license shall not estop the
15 United States or any person aggrieved from proceeding
16 against such person for violating the law against unfair
17 methods of competition or for a violation of the law against
18 unlawful restraints and monopolies and/or combinations,
19 contracts, or agreements in restraint of trade, or from insti-
20 tuting proceedings for the dissolution of such corporation.

21 REVOCATION AND SUSPENSION OF LICENSES

22 SEC. 312. Any station license may be revoked, or
23 suspended for such period as the Commission may pre-
24 scribe, for false statements either in the application or in
25 the statement of fact which may be required by section

1 308 hereof, or because of conditions revealed by such state-
2 ments of fact as may be required from time to time which
3 would warrant the Commission in refusing to grant a license
4 on an original application, or for failure to operate substan-
5 tially as set forth in the license, for violation of or failure
6 to observe any of the restrictions and conditions of this Act,
7 or of any regulation of the Commission authorized by this
8 Act or by a treaty ratified by the United States: *Provided,*
9 *however,* That no such order of revocation or suspension
10 shall take effect until fifteen days' notice in writing thereof,
11 stating the cause for the proposed revocation or suspension,
12 has been given to the licensee. Such licensee may make
13 written application to the Commission at any time within
14 said fifteen days for a hearing upon such order, and upon
15 the filing of such written application said order of revoca-
16 tion or suspension shall stand suspended until the conclusion
17 of the hearing conducted under such rules as the Commission
18 may prescribe. Upon the conclusion of said hearing the
19 Commission may affirm, modify, or revoke said order of
20 revocation or suspension.

21 APPLICATION OF ANTITRUST LAWS

22 SEC. 313. All laws of the United States relating to
23 unlawful restraints and monopolies and to combinations,
24 contracts, or agreements in restraint of trade are hereby
25 declared to be applicable to the manufacture and sale of

1 and to trade in radio apparatus and devices entering into
2 or affecting interstate or foreign commerce and to interstate
3 or foreign radio communications. Whenever in any suit,
4 action, or proceeding, civil or criminal, brought under the
5 provisions of any of said laws or in any proceedings brought
6 to enforce or to review findings and orders of the Federal
7 Trade Commission or other governmental agency in respect
8 of any matters as to which said Commission or other govern-
9 mental agency is by law authorized to act, any licensee shall
10 be found guilty of the violation of the provisions of such
11 laws or any of them, the court, in addition to the penalties
12 imposed by said laws, may adjudge, order, and/or decree
13 that the license of such licensee shall, as of the date the
14 decree or judgment becomes finally effective or as of such
15 other date as the said decree shall fix, be revoked and that
16 all rights under such license shall thereupon cease: *Provided,*
17 *however,* That such licensee shall have the same right of
18 appeal or review as is provided by law in respect of other
19 decrees and judgments of said court.

20 PRESERVATION OF COMPETITION IN COMMERCE

21 SEC. 314. After the passage of this Act no per-
22 son engaged directly, or indirectly through any person
23 directly or indirectly controlling or controlled by, or
24 under direct or indirect common control with, such person,
25 or through an agent, or otherwise, in the business of trans-

1 mitting and/or receiving for hire energy, communi-
2 cations, or signals by radio in accordance with the
3 terms of the license issued under this Act, shall by
4 purchase, lease, construction, or otherwise, directly or in-
5 directly, acquire, own, control, or operate any cable or
6 wire telegraph or telephone line or system between any
7 place in any State, Territory, or possession of the United
8 States or in the District of Columbia, and any place in any
9 foreign country, or shall acquire, own, or control any part
10 of the stock or other capital share or any interest in the
11 physical property and/or other assets of any such cable,
12 wire, telegraph, or telephone line or system, if in either
13 case the purpose is and/or the effect thereof may be to
14 substantially lessen competition or to restrain commerce
15 between any place in any State, Territory, or possession
16 of the United States, or in the District of Columbia, and
17 any place in any foreign country, or unlawfully to create
18 monopoly in any line of commerce; nor shall any person
19 engaged directly, or indirectly through any person directly
20 or indirectly controlling or controlled by, or under direct or
21 indirect common control with, such person, or through an
22 agent, or otherwise, in the business of transmitting and/or
23 receiving for hire messages by any cable, wire, telegraph, or
24 telephone line or system (a) between any place in any State,
25 Territory, or possession of the United States, or in the District

1 of Columbia, and any place in any other State, Territory,
2 or possession of the United States; or (b) between any
3 place in any State, Territory, or possession of the United
4 States, or the District of Columbia, and any place in any
5 foreign country, by purchase, lease, construction, or other-
6 wise, directly or indirectly acquire, own, control, or operate
7 any station or the apparatus therein, or any system for
8 transmitting and/or receiving radio communications or
9 signals between any place in any State, Territory, or
10 possession of the United States, or in the District of
11 Columbia, and any place in any foreign country, or shall
12 acquire, own, or control any part of the stock or other
13 capital share or any interest in the physical property and/or
14 other assets of any such radio station, apparatus, or system,
15 if in either case the purpose is and/or the effect thereof
16 may be to substantially lessen competition or to restrain
17 commerce between any place in any State, Territory, or
18 possession of the United States, or in the District of
19 Columbia, and any place in any foreign country, or unlaw-
20 fully to create monopoly in any line of commerce.

21 FACILITIES FOR CANDIDATES FOR PUBLIC OFFICE

22 SEC. 315. (a) If any licensee shall permit any person
23 who is a legally qualified candidate for any public office to
24 use a broadcasting station, he shall afford equal opportunities
25 to all other such candidates for that office in the use of such

1 station; and if any licensee shall permit any person to use a
2 broadcasting station in support of or in opposition to any
3 candidate for public office, or in the presentation of views on
4 a public question to be voted upon at an election, he shall
5 afford equal opportunity to an equal number of other per-
6 sons to use such station in support of an opposing candidate
7 for such public office, or to reply to a person who has used
8 such broadcasting station in support of or in opposition
9 to a candidate, or for the presentation of opposite views
10 on such public questions. Furthermore, it shall be con-
11 sidered in the public interest for a licensee, so far as pos-
12 sible, to permit equal opportunity for the presentation of
13 both sides of public questions.

14 (b) The Commission shall make rules and regulations
15 to carry this provision into effect. No such licensee shall
16 exercise censorship over any material broadcast in accord-
17 ance with the provisions of this section. No obligation is
18 imposed upon any licensee to allow the use of his station by
19 any candidate, or in support of or in opposition to any candi-
20 date, or for the presentation of views on any side of a public
21 question.

22 (c) The rates charged for the use of any station for
23 any of the purposes set forth in this section shall not exceed
24 the regular rates charged for the use of said station to adver-

1 tisers furnishing regular programs, and shall not be dis-
2 criminatory as between persons using the station for such
3 purposes.

4 LOTTERIES AND OTHER SIMILAR SCHEMES

5 SEC. 316. No person shall broadcast by means of any
6 radio station for which a license is required by any law
7 of the United States, and no person operating any such
8 station shall knowingly permit the broadcasting of, any
9 advertisement of or information concerning any lottery, gift
10 enterprise, or similar scheme, offering prizes dependent in
11 whole or in part upon lot or chance, or any list of the prizes
12 drawn or awarded by means of any such lottery, gift enter-
13 prise, or scheme, whether said list contains any part or all
14 of such prizes. Any person violating any provision of this
15 section shall, upon conviction thereof, be fined not more than
16 $1,000 or imprisoned not more than one year, or both, for
17 each and every day during which such offense occurs.

18 ANNOUNCEMENT THAT MATTER IS PAID FOR

19 SEC. 317. All matter broadcast by any radio station for
20 which service, money, or any other valuable consideration
21 is directly or indirectly paid, or promised to or charged or
22 accepted by, the station so broadcasting, from any per-
23 son, shall, at the time the same is so broadcast, be announced
24 as paid for or furnished, as the case may be, by such person.

1 OPERATION OF TRANSMITTING APPARATUS

2 SEC. 318. The actual operation of all transmitting
3 apparatus in any radio station for which a station license is
4 required by this Act shall be carried on only by a person
5 holding an operator's license issued hereunder. No person
6 shall operate any such apparatus in such station except under
7 and in accordance with an operator's license issued to him
8 by the Commission.

9 CONSTRUCTION PERMITS

10 SEC. 319. (a) No license shall be issued under the
11 authority of this Act for the operation of any station the
12 construction of which is begun or is continued after this Act
13 takes effect, unless a permit for its construction has been
14 granted by the Commission upon written application there-
15 for. The Commission may grant such permit if public
16 convenience, interest, or necessity will be served by the
17 construction of the station. This application shall set forth
18 such facts as the Commission by regulation may prescribe
19 as to the citizenship, character, and the financial, technical,
20 and other ability of the applicant to construct and operate
21 the station, the ownership and location of the proposed
22 station and of the station or stations with which it is pro-
23 posed to communicate, the frequencies desired to be used,
24 the hours of the day or other periods of time during which

1 it is proposed to operate the station, the purpose for which
2 the station is to be used, the type of transmitting apparatus
3 to be used, the power to be used, the date upon which the
4 station is expected to be completed and in operation, and
5 such other information as the Commission may require.
6 Such application shall be signed by the applicant under oath
7 or affirmation.

8 (b) Such permit for construction shall show specifi-
9 cally the earliest and latest dates between which the actual
10 operation of such station is expected to begin, and shall
11 provide that said permit will be automatically forfeited if
12 the station is not ready for operation within the time speci-
13 fied or within such further time as the Commission may
14 allow, unless prevented by causes not under the control of
15 the grantee. The rights under any such permit shall not
16 be assigned or otherwise transferred to any person without
17 the approval of the Commission. A permit for construction
18 shall not be required for Government stations, amateur sta-
19 tions, or stations upon mobile vessels, railroad rolling stock,
20 or aircraft. Upon the completion of any station for the con-
21 struction or continued construction of which a permit has
22 been granted, and upon it being made to appear to the
23 Commission that all the terms, conditions, and obligations
24 set forth in the application and permit have been fully met,
25 and that no cause or circumstance arising or first coming to

1 the knowledge of the Commission since the granting of the
2 permit would, in the judgment of the Commission, make the
3 operation of such station against the public interest, the
4 Commission shall issue a license to the lawful holder of said
5 permit for the operation of said station. Said license shall
6 conform generally to the terms of said permit.

7 DESIGNATION OF STATIONS LIABLE TO INTERFERE WITH
8 DISTRESS SIGNALS

9 SEC. 320. The Commission is authorized to designate
10 from time to time radio stations the communications or sig-
11 nals of which, in its opinion, are liable to interfere with the
12 transmission or reception of distress signals of ships. Such
13 stations are required to keep a licensed radio operator listen-
14 ing in on the frequencies designated for signals of
15 distress and radio communications relating thereto during
16 the entire period the transmitter of such station is in
17 operation.

18 DISTRESS SIGNALS AND COMMUNICATIONS

19 SEC. 321. (a) Every radio station on shipboard shall
20 be equipped to transmit radio communications or signals
21 of distress on the frequency specified by the Com-
22 mission, with apparatus capable of transmitting and
23 receiving messages over a distance of at least one hundred
24 miles by day or night. When sending radio communica-

1 tions or signals of distress and radio communications relating
2 thereto the transmitting set may be adjusted in such a man-
3 ner as to produce a maximum of radiation irrespective of
4 the amount of interference which may thus be caused.

5 (b) All radio stations, including Government stations
6 and stations on board foreign vessels when within the terri-
7 torial waters of the United States, shall give absolute priority
8 to radio communications or signals relating to ships in
9 distress; shall cease all sending on frequencies which
10 will interfere with hearing a radio communication or
11 signal of distress, and, except when engaged in answer-
12 ing or aiding the ship in distress, shall refrain from sending
13 any radio communications or signals until there is assurance
14 that no interference will be caused with the radio com-
15 munications or signals relating thereto, and shall assist the
16 vessel in distress, so far as possible, by complying with
17 its instructions.

18 INTERCOMMUNICATION IN MOBILE SERVICE

19 SEC. 322. Every land station open to general public
20 service between the coast and vessels at sea shall be bound
21 to exchange radio communications or signals with any ship
22 station without distinction as to radio systems or instruments
23 adopted by such stations, respectively, and each station on
24 shipboard shall be bound to exchange radio communications

1 or signals with any other station on shipboard without dis-
2 tinction as to radio systems or instruments adopted by each
3 station.

4 INTERFERENCE BETWEEN GOVERNMENT AND COMMERCIAL
5 STATIONS

6 SEC. 323. (a) At all places where Government and
7 private or commercial radio stations on land operate in such
8 close proximity that interference with the work of Govern-
9 ment stations cannot be avoided when they are operating
10 simultaneously, such private or commercial stations as do in-
11 terfere with the transmission or reception of radio com-
12 munications or signals by the Government stations con-
13 cerned shall not use their transmitters during the first fifteen
14 minutes of each hour, local standard time.

15 (b) The Government stations for which the above-
16 mentioned division of time is established shall transmit radio
17 communications or signals only during the first fifteen min-
18 utes of each hour, local standard time, except in case of
19 signals or radio communications relating to vessels in dis-
20 tress and vessel requests for information as to course, loca-
21 tion, or compass direction.

22 USE OF MINIMUM POWER

23 SEC. 324. In all circumstances, except in case of
24 radio communications or signals relating to vessels in dis-

1 tress, all radio stations, including those owned and operated
2 by the United States, shall use the minimum amount of
3 power necessary to carry out the communication desired.

4 FALSE DISTRESS SIGNALS; REBROADCASTING; STUDIOS OF
5 FOREIGN STATIONS

6 SEC. 325. (a) No person within the jurisdiction of the
7 United States shall knowingly utter or transmit, or cause
8 to be uttered or transmitted, any false or fraudulent signal
9 of distress, or communication relating thereto, nor shall any
10 broadcasting station rebroadcast the program or any part
11 thereof of another broadcasting station without the express
12 authority of the originating station.

13 (b) No person shall be permitted to locate, use, or
14 maintain a radio broadcast studio or other place or apparatus
15 from which or whereby sound waves are converted into
16 electrical energy, or mechanical or physical reproduction of
17 sound waves produced, and caused to be transmitted or de-
18 livered to a radio station in a foreign country for the purpose
19 of being broadcast from any radio station there having
20 a power output of sufficient intensity and/or being so located
21 geographically that its emissions may be received con-
22 sistently in the United States, without first obtaining a per-
23 mit from the Commission upon proper application therefor.

24 (c) Such application shall contain such information as
25 the Commission may by regulation prescribe, and the grant-

1 ing or refusal thereof shall be subject to the requirements
2 of section 309 hereof with respect to applications for station
3 licenses or renewal or modification thereof, and the license
4 or permission so granted shall be revocable for false state-
5 ments in the application so required or when the Commission,
6 after hearings, shall find its continuation no longer in the
7 public interest.

8 CENSORSHIP; INDECENT LANGUAGE

9 SEC. 326. Nothing in this Act shall be understood or
10 construed to give the Commission the power of censorship
11 over the radio communications or signals transmitted by any
12 radio station, and no regulation or condition shall be pro-
13 mulgated or fixed by the Commission which shall interfere
14 with the right of free speech by means of radio communi-
15 cation. No person within the jurisdiction of the United
16 States shall utter any obscene, indecent, or profane language
17 by means of radio communication.

18 USE OF NAVAL STATIONS FOR COMMERCIAL MESSAGES

19 SEC. 327. The Secretary of the Navy is hereby author-
20 ized, unless restrained by international agreement, under the
21 terms and conditions and at rates prescribed by him, which
22 rates shall be just and reasonable, and which, upon com-
23 plaint, shall be subject to review and revision by the
24 Commission, to use all radio stations and apparatus,
25 wherever located, owned by the United States and under

1 the control of the Navy Department, (a) for the reception
2 and transmission of press messages offered by any news-
3 paper published in the United States, its Territories or pos-
4 sessions, or published by citizens of the United States in
5 foreign countries, or by any press association of the United
6 States, and (b) for the reception and transmission of private
7 commercial messages between ships, between ship and shore,
8 between localities in Alaska and between Alaska and the
9 continental United States: *Provided,* That the rates fixed
10 for the reception and transmission of all such messages, other
11 than press messages between the Pacific coast of the United
12 States, Hawaii, Alaska, Guam, American Samoa, the
13 Philippine Islands, and the Orient, and between the United
14 States and the Virgin Islands, shall not be less than the
15 rates charged by privately owned and operated stations for
16 like messages and service: *Provided further,* That the right
17 to use such stations for any of the purposes named in this
18 section shall terminate and cease as between any countries
19 or localities or between any locality and privately operated
20 ships whenever privately owned and operated stations are
21 capable of meeting the normal communication requirements
22 between such countries or localities or between any locality
23 and privately operated ships, and the Commission shall have
24 notified the Secretary of the Navy thereof.

1 SPECIAL PROVISION AS TO PHILIPPINE ISLANDS AND
2 CANAL ZONE

3 SEC. 328. This Act shall not apply to the Philippine
4 Islands or to the Canal Zone. In international radio matters
5 the Philippine Islands and the Canal Zone shall be rep-
6 resented by the Secretary of State.

7 ADMINISTRATION OF RADIO LAWS IN TERRITORIES AND
8 POSSESSIONS

9 SEC. 329. The Commission is authorized to designate
10 any officer or employee of any other department of the
11 Government on duty in any Territory or possession of the
12 United States other than the Philippine Islands and the
13 Canal Zone, to render therein such services in connection
14 with the administration of the radio laws of the United
15 States as the Commission may prescribe: *Provided,* That
16 such designation shall be approved by the head of the
17 department in which such person is employed.

18 **TITLE IV—PROCEDURAL AND ADMINISTRATIVE**
19 **PROVISIONS**

20 JURISDICTION TO ENFORCE ACT AND ORDERS OF
21 COMMISSION

22 SEC. 401. (a) The district courts of the United States
23 shall have jurisdiction, upon application of the Attorney
24 General of the United States at the request of the Commis-

1 sion, alleging a failure to comply with or a violation of any
2 of the provisions of this Act by any person, to issue a writ
3 or writs of mandamus commanding such person to comply
4 with the provisions of this Act.

5 (b) If any person fails or neglects to obey any order
6 of the Commission other than for the payment of money,
7 while the same is in effect, the Commission or any
8 party injured thereby, or the United States, by its Attorney
9 General, may apply to the appropriate district court of the
10 United States for the enforcement of such order. If, after
11 hearing, that court determines that the order was regularly
12 made and duly served, and that the person is in disobedience
13 of the same, the court shall enforce obedience to such order
14 by a writ of injunction or other proper process, mandatory
15 or otherwise, to restrain such person or the officers, agents,
16 or representatives of such person, from further disobedience
17 of such order, or to enjoin upon it or them obedience to the
18 same.

19 (c) Upon the request of the Commission it shall be
20 the duty of any district attorney of the United States to whom
21 the Commission may apply to institute in the proper court
22 and to prosecute under the direction of the Attorney General
23 of the United States all necessary proceedings for the
24 enforcement of the provisions of this Act and for the punish-
25 ment of all violations thereof, and the costs and expenses

1 of such prosecutions shall be paid out of the appropriations
2 for the expenses of the courts of the United States.
3 (d) The provisions of the Expediting Act, approved
4 February 11, 1903, as amended, and of section 238 (1) of
5 the Judicial Code, as amended, shall be held to apply to any
6 suit in equity arising under title II of this Act, wherein the
7 United States is complainant.

8 PROCEEDINGS TO ENFORCE OR SET ASIDE THE COMMIS-
9 SION'S ORDERS—APPEAL IN CERTAIN CASES

10 SEC. 402. (a) The provisions of the Act of October 22,
11 1913 (38 Stat. 219), relating to the enforcing or setting
12 aside of the orders of the Interstate Commerce Commission,
13 are hereby made applicable to suits to enforce, enjoin, set
14 aside, annul, or suspend any order of the Commission under
15 this Act (except any order of the Commission granting or
16 refusing an application for a construction permit for a radio
17 station, or for a radio station license, or for renewal of an
18 existing radio station license, or for modification of an exist-
19 ing radio station license), and such suits are hereby author-
20 ized to be brought as provided in that Act.
21 (b) An appeal may be taken, in the manner hereinafter
22 provided, from decisions of the Commission to the Court of
23 Appeals of the District of Columbia in any of the following
24 cases:

1 (1) By any applicant for a construction permit for a
2 radio station, or for a radio station license, or for renewal
3 of an existing radio station license, or for modification of an
4 existing radio station license, whose application is refused
5 by the Commission.

6 (2) By any other person aggrieved or whose interests
7 are adversely affected by any decision of the Commission
8 granting or refusing any such application.

9 (c) Such appeal shall be taken by filing with said
10 court within twenty days after the decision complained of
11 is effective, notice in writing of said appeal and a statement
12 of the reasons therefor, together with proof of service of a
13 true copy of said notice and statement upon the Commission.
14 Unless a later date is specified by the Commission as part
15 of its decision, the decision complained of shall be considered
16 to be effective as of the date on which public announcement
17 of the decision is made at the office of the Commission in
18 the city of Washington. The Commission shall thereupon
19 immediately, and in any event not later than five days from
20 the date of such service upon it, mail or otherwise deliver a
21 copy of said notice of appeal to each person shown by the
22 records of the Commission to be interested in such appeal
23 and to have a right to intervene therein under the provisions
24 of this section, and shall at all times thereafter permit any
25 such person to inspect and make copies of the appellant's

1 statement of reasons for said appeal at the office of the
2 Commission in the city of Washington. Within thirty days
3 after the filing of said appeal the Commission shall file with
4 the court the originals or certified copies of all papers and
5 evidence presented to it upon the application involved,
6 and also a like copy of its decision thereon, and shall within
7 thirty days thereafter file a full statement in writing of the
8 facts and grounds for its decision as found and given by it,
9 and a list of all interested persons to whom it has mailed
10 or otherwise delivered a copy of said notice of appeal.

11 (d) Within thirty days after the filing of said appeal
12 any interested person may intervene and participate in the
13 proceedings had upon said appeal by filing with the court
14 a notice of intention to intervene and a verified statement
15 showing the nature of the interest of such party, together
16 with proof of service of true copies of said notice and state-
17 ment, both upon appellant and upon the Commission. Any
18 person who would be aggrieved or whose interests would be
19 adversely affected by a reversal or modification of the
20 decision of the Commission complained of shall be considered
21 an interested party.

22 (e) At the earliest convenient time the court shall hear
23 and determine the appeal upon the record before it, and
24 shall have power, upon such record, to enter a judgment
25 affirming or reversing the decision of the Commission, and,

1 in event the court shall render a decision and enter an order
2 reversing the decision of the Commission, it shall remand the
3 case to the Commission to carry out the judgment of the
4 court: *Provided, however,* That the review by the court shall
5 be limited to questions of law and that findings of fact by
6 the Commission, if supported by substantial evidence, shall
7 be conclusive unless it shall clearly appear that the findings
8 of the Commission are arbitrary or capricious. The court's
9 judgment shall be final, subject, however, to review by the
10 Supreme Court of the United States upon writ of certiorari
11 on petition therefor under section 240 of the Judicial Code,
12 as amended, by appellant, by the Commission, or by any
13 interested party intervening in the appeal.

14 (f) The court may, in its discretion, enter judgment for
15 costs in favor of or against an appellant, and/or other inter-
16 ested parties intervening in said appeal, but not against the
17 Commission, depending upon the nature of the issues involved
18 upon said appeal and the outcome thereof.

19 INQUIRY BY COMMISSION ON ITS OWN MOTION

20 SEC. 403. The Commission shall have full authority
21 and power at any time to institute an inquiry, on its own
22 motion, in any case and as to any matter or thing con-
23 cerning which complaint is authorized to be made, to or
24 before the Commission by any provision of this Act, or

1 concerning which any question may arise under any of
2 the provisions of this Act, or relating to the enforce-
3 ment of any of the provisions of this Act. The Com-
4 mission shall have the same powers and authority to pro-
5 ceed with any inquiry instituted on its own motion as
6 though it had been appealed to by complaint or petition
7 under any of the provisions of this Act, including the
8 power to make and enforce any order or orders in the case,
9 or relating to the matter or thing concerning which the
10 inquiry is had, excepting orders for the payment of money.

11 REPORTS OF INVESTIGATIONS

12 SEC. 404. Whenever an investigation shall be made
13 by the Commission it shall be its duty to make a report
14 in writing in respect thereto, which shall state the conclu-
15 sions of the Commission, together with its decision, order,
16 or requirement in the premises; and in case damages are
17 awarded such report shall include the findings of fact on
18 which the award is made.

19 REHEARING BEFORE COMMISSION

20 SEC. 405. After a decision, order, or requirement has
21 been made by the Commission in any proceeding, any party
22 thereto may at any time make application for rehearing of
23 the same, or any matter determined therein, and it shall be
24 lawful for the Commission in its discretion to grant such

1 a rehearing if sufficient reason therefor be made to appear:
2 *Provided, however,* That in the case of a decision, order,
3 or requirement made under title III, the time within which
4 application for rehearing may be made shall be limited to
5 twenty days after the effective date thereof, and such
6 application may be made by any party or any person
7 aggrieved or whose interests are adversely affected
8 thereby. Applications for rehearing shall be governed
9 by such general rules as the Commission may establish.
10 No such application shall excuse any person from com-
11 plying with or obeying any decision, order, or require-
12 ment of the Commission, or operate in any manner to stay
13 or postpone the enforcement thereof, without the special
14 order of the Commission. In case a rehearing is granted,
15 the proceedings thereupon shall conform as nearly as may
16 be to the proceedings in an original hearing, except as the
17 Commission may otherwise direct; and if, in its judgment,
18 after such rehearing and the consideration of all facts, in-
19 cluding those arising since the former hearing, it shall appear
20 that the original decision, order, or requirement is in any
21 respect unjust or unwarranted, the Commission may reverse,
22 change, or modify the same accordingly. Any decision,
23 order, or requirement made after such rehearing, reversing,
24 changing, or modifying the original determination, shall be
25 subject to the same provisions as an original order.

1 MANDAMUS TO COMPEL FURNISHING OF FACILITIES

2 SEC. 406. The district courts of the United States shall
3 have jurisdiction upon the relation of any person alleging
4 any violation, by a carrier subject to this Act, of any of the
5 provisions of this Act which prevent the relator from receiv-
6 ing service in interstate or foreign communication by wire or
7 radio, or in interstate or foreign transmission of energy by
8 radio, from said carrier at the same charges, or upon
9 terms or conditions as favorable as those given by said
10 carrier for like communication or transmission under
11 similar conditions to any other person, to issue a writ
12 or writs of mandamus against said carrier commanding
13 such carrier to furnish facilities for such communication
14 or transmission to the party applying for the writ: *Pro-*
15 *vided,* That if any question of fact as to the proper com-
16 pensation to the carrier for the service to be enforced by
17 the writ is raised by the pleadings, the writ of peremptory
18 mandamus may issue, notwithstanding such question of fact
19 is undetermined, upon such terms as to security, payment
20 of money into the court, or otherwise, as the court may
21 think proper pending the determination of the question
22 of fact: *Provided further,* That the remedy hereby given
23 by writ of mandamus shall be cumulative and shall not be
24 held to exclude or interfere with other remedies provided
25 by this Act.

1 PETITION FOR ENFORCEMENT OF ORDER FOR PAYMENT OF
2 MONEY

3 SEC. 407. If a carrier does not comply with an order
4 for the payment of money within the time limit in such
5 order, the complainant, or any person for whose benefit such
6 order was made, may file in the district court of the United
7 States for the district in which he resides or in which is
8 located the principal operating office of the carrier, or
9 through which the line of the carrier runs, or in any State
10 court of general jurisdiction having jurisdiction of the parties,
11 a petition setting forth briefly the causes for which he claims
12 damages, and the order of the Commission in the premises.
13 Such suit in the district court of the United States shall
14 proceed in all respects like other civil suits for damages,
15 except that on the trial of such suits the findings and order
16 of the Commission shall be prima facie evidence of the facts
17 therein stated, except that the petitioner shall not be liable
18 for costs in the district court nor for costs at any subsequent
19 stage of the proceedings unless they accrue upon his appeal.
20 If the petitioner shall finally prevail, he shall be allowed a
21 reasonable attorney's fee, to be taxed and collected as a
22 part of the costs of the suit.

23 ORDERS NOT FOR PAYMENT OF MONEY—WHEN EFFECTIVE

24 SEC. 408. Except as otherwise provided in this Act, all
25 orders of the Commission, other than orders for the payment

1 of money, shall take effect within such reasonable time, not
2 less than thirty days after service of the order, and shall
3 continue in force until its further order, or for a specified
4 period of time, according as shall be prescribed in the order,
5 unless the same shall be suspended or modified or set aside
6 by the Commission, or be suspended or set aside by a court
7 of competent jurisdiction.

8 GENERAL PROVISIONS RELATING TO PROCEEDINGS—
9 WITNESSES AND DEPOSITIONS

10 SEC. 409. (a) Any member or examiner of the Com-
11 mission, or the director of any division, when duly designated
12 by the Commission for such purpose, may hold hearings, sign
13 and issue subpenas, administer oaths, examine witnesses, and
14 receive evidence at any place in the United States desig-
15 nated by the Commission; except that in the administration
16 of title III an examiner may not be authorized to exercise
17 such powers with respect to a matter involving (1) a
18 change of policy by the Commission, (2) the revocation of
19 a station license, (3) new devices or developments in radio,
20 or (4) a new kind of use of frequencies. In all cases heard
21 by an examiner the Commission shall hear oral arguments
22 on request of either party.

23 (b) For the purposes of this Act the Commission shall
24 have the power to require by subpena the attendance and
25 testimony of witnesses and the production of all books,

1 papers, schedules of charges, contracts, agreements, and
2 documents relating to any matter under investigation. Wit-
3 nesses summoned before the Commission shall be paid the
4 same fees and mileage that are paid witnesses in the courts
5 of the United States.

6 (c) Such attendance of witnesses, and the production
7 of such documentary evidence, may be required from any
8 place in the United States, at any designated place of
9 hearing. And in case of disobedience to a subpena the
10 Commission, or any party to a proceeding before the Com-
11 mission, may invoke the aid of any court of the United
12 States in requiring the attendance and testimony of wit-
13 nesses and the production of books, papers, and documents
14 under the provisions of this section.

15 (d) Any of the district courts of the United States
16 within the jurisdiction of which such inquiry is carried on
17 may, in case of contumacy or refusal to obey a subpena
18 issued to any common carrier or licensee or other person,
19 issue an order requiring such common carrier, licensee, or
20 other person to appear before the Commission (and pro-
21 duce books and papers if so ordered) and give evidence
22 touching the matter in question; and any failure to obey
23 such order of the court may be punished by such court as
24 a contempt thereof.

1 (e) The testimony of any witness may be taken, at
2 the instance of a party, in any proceeding or investigation
3 pending before the Commission, by deposition, at any time
4 after a cause or proceeding is at issue on petition and
5 answer. The Commission may also order testimony to be
6 taken by deposition in any proceeding or investigation
7 pending before it, at any stage of such proceeding or in-
8 vestigation. Such depositions may be taken before any
9 judge of any court of the United States, or any United
10 States commissioner, or any clerk of a district court, or
11 any chancellor, justice, or judge of a supreme or superior
12 court, mayor, or chief magistrate of a city, judge of a
13 county court, or court of common pleas of any of the United
14 States, or any notary public, not being of counsel or attor-
15 ney to either of the parties, nor interested in the event
16 of the proceeding or investigation. Reasonable notice must
17 first be given in writing by the party or his attorney pro-
18 posing to take such deposition to the opposite party or his
19 attorney of record, as either may be nearest, which notice
20 shall state the name of the witness and the time and place
21 of the taking of his deposition. Any person may be com-
22 pelled to appear and depose, and to produce documentary
23 evidence, in the same manner as witnesses may be compelled
24 to appear and testify and produce documentary evidence
25 before the Commission, as hereinbefore provided.

1 (f) Every person deposing as herein provided shall
2 be cautioned and sworn (or affirm, if he so request) to testify
3 the whole truth, and shall be carefully examined. His
4 testimony shall be reduced to writing by the magistrate tak-
5 ing the deposition, or under his direction, and shall, after
6 it has been reduced to writing, be subscribed by the deponent.
7 (g) If a witness whose testimony may be desired to
8 be taken by deposition be in a foreign country, the deposi-
9 tion may be taken before an officer or person designated by
10 the Commission, or agreed upon by the parties by stipula-
11 tion in writing to be filed with the Commission. All depo-
12 sitions must be promptly filed with the Commission.
13 (h) Witnesses whose depositions are taken as author-
14 ized in this Act, and the magistrate or other officer taking
15 the same, shall severally be entitled to the same fees as are
16 paid for like services in the courts of the United States.
17 (i) No person shall be excused from attending and tes-
18 tifying or from producing books, papers, schedules of charges,
19 contracts, agreements, and documents before the Commission,
20 or in obedience to the subpena of the Commission, whether such
21 subpena be signed or issued by one or more commissioners,
22 or in any cause or proceeding, criminal or otherwise, based
23 upon or growing out of any alleged violation of this Act,
24 or of any amendments thereto, on the ground or for the
25 reason that the testimony or evidence, documentary or

1 otherwise, required of him may tend to criminate him or
2 subject him to a penalty or forfeiture; but no individual
3 shall be prosecuted or subjected to any penalty or forfeiture
4 for or on account of any transaction, matter, or thing con-
5 cerning which he is compelled, after having claimed his
6 privilege against self-incrimination, to testify or produce
7 evidence, documentary or otherwise, except that any indi-
8 vidual so testifying shall not be exempt from prosecution
9 and punishment for perjury committed in so testifying.

10 (j) Any person who shall neglect or refuse to attend
11 and testify, or to answer any lawful inquiry, or to produce
12 books, papers, schedules of charges, contracts, agreements,
13 and documents, if in his power to do so, in obedience
14 to the subpena or lawful requirement of the Commission,
15 shall be guilty of a misdemeanor and upon conviction thereof
16 by a court of competent jurisdiction shall be punished by a
17 fine of not less than $100 nor more than $5,000, or by im-
18 prisonment for not more than one year, or by both such
19 fine and imprisonment.

20 USE OF JOINT BOARDS—COOPERATION WITH STATE
21 COMMISSIONS

22 SEC. 410. (a) The Commission may refer any matter
23 arising in the administration of this Act to a joint board to be
24 composed of a member, or of an equal number of members,
25 as determined by the Commission, from each of the States

1 in which the wire or radio communication affected by or
2 involved in the proceeding takes place or is proposed, and
3 any such board shall be vested with the same powers and
4 be subject to the same duties and liabilities as in the case
5 of a member of the Commission when designated by the
6 Commission to hold a hearing as hereinbefore authorized.
7 The action of a joint board shall have such force and effect
8 and its proceedings shall be conducted in such manner as
9 the Commission shall by regulations prescribe. The joint
10 board member or members for each State shall be nominated
11 by the State commission of the State or by the Governor if
12 there is no State commission, and appointed by the Federal
13 Communications Commission. The Commission shall have
14 discretion to reject any nominee. Joint board members
15 shall receive such allowances for expenses as the Commission
16 shall provide.

17 (b) The Commission may confer with any State
18 commission having regulatory jurisdiction with respect to
19 carriers, regarding the relationship between rate structures,
20 accounts, charges, practices, classifications, and regulations
21 of carriers subject to the jurisdiction of such State com-
22 mission and of the Commission; and the Commission is
23 authorized under such rules and regulations as it shall pre-
24 scribe to hold joint hearings with any State commission in
25 connection with any matter with respect to which the Com-

1 mission is authorized to act. The Commission is authorized
2 in the administration of this Act to avail itself of such
3 cooperation, services, records, and facilities as may be
4 afforded by any State commission.

5 JOINDER OF PARTIES

6 SEC. 411. (a) In any proceeding for the enforcement of
7 the provisions of this Act, whether such proceeding be insti-
8 tuted before the Commission or be begun originally in any
9 district court of the United States, it shall be lawful to include
10 as parties, in addition to the carrier, all persons interested in
11 or affected by the charge, regulation, or practice under con-
12 sideration, and inquiries, investigations, orders, and decrees
13 may be made with reference to and against such additional
14 parties in the same manner, to the same extent, and subject
15 to the same provisions as are or shall be authorized by law
16 with respect to carriers.

17 (b) In any suit for the enforcement of an order for
18 the payment of money all parties in whose favor the Com-
19 mission may have made an award for damages by a single
20 order may be joined as plaintiffs, and all of the carriers
21 parties to such order awarding such damages may be joined
22 as defendants, and such suit may be maintained by such joint
23 plaintiffs and against such joint defendants in any district
24 where any one of such joint plaintiffs could maintain such
25 suit against any one of such joint defendants; and service

1 of process against any one of such defendants as may not be
2 found in the district where the suit is brought may be made in
3 any district where such defendant carrier has its principal oper-
4 ating office. In case of such joint suit, the recovery, if any,
5 may be by judgment in favor of any one of such plaintiffs,
6 against the defendant found to be liable to such plaintiff.

7 DOCUMENTS FILED TO BE PUBLIC RECORDS—USE IN
8 PROCEEDINGS

9 SEC. 412. The copies of schedules of charges, classi-
10 fications, and of all contracts, agreements, and arrange-
11 ments between common carriers filed with the Com-
12 mission as herein provided, and the statistics, tables, and
13 figures contained in the annual or other reports of carriers and
14 other persons made to the Commission as required under the
15 provisions of this Act shall be preserved as public records
16 in the custody of the secretary of the Commission, and
17 shall be received as prima facie evidence of what they
18 purport to be for the purpose of investigations by the Com-
19 mission and in all judicial proceedings; and copies of and
20 extracts from any of said schedules, classifications, contracts,
21 agreements, arrangements, or reports, made public records
22 as aforesaid, certified by the secretary, under the Commis-
23 sion's seal, shall be received in evidence with like effect as
24 the originals: *Provided,* That the Commission may, if the
25 public interest will be served thereby, keep confidential any

1 contract, agreement, or arrangement relating to foreign wire
2 or radio communication when the publication of such con-
3 tract, agreement, or arrangement would place American
4 communication companies at a disadvantage in meeting the
5 competition of foreign communication companies.

6 DESIGNATION OF AGENT FOR SERVICE

7 SEC. 413. It shall be the duty of every carrier subject
8 to this Act, within sixty days after the taking effect of this
9 Act, to designate in writing an agent in the District of
10 Columbia, upon whom service of all notices and process
11 and all orders, decisions, and requirements of the Com-
12 mission may be made for and on behalf of said
13 carrier in any proceeding or suit pending before the
14 Commission, and to file such designation in the office of the
15 secretary of the Commission, which designation may from
16 time to time be changed by like writing similarly filed;
17 and thereupon service of all notices and process and orders,
18 decisions, and requirements of the Commission may be made
19 upon such carrier by leaving a copy thereof with such desig-
20 nated agent at his office or usual place of residence in the
21 District of Columbia, with like effect as if made personally
22 upon such carrier, and in default of such designation of
23 such agent, service of any notice or other process in any
24 proceeding before said Commission, or of any order, decision,
25 or requirement of the Commission, may be made by posting

1 such notice, process, order, requirement, or decision in the
2 office of the secretary of the Commission.

3 REMEDIES IN THIS ACT NOT EXCLUSIVE

4 SEC. 414. Nothing in this Act contained shall in any
5 way abridge or alter the remedies now existing at common
6 law or by statute, but the provisions of this Act are in addi-
7 tion to such remedies.

8 LIMITATIONS AS TO ACTIONS

9 SEC. 415. (a) All actions at law by carriers for
10 recovery of their lawful charges, or any part thereof, shall be
11 begun within one year from the time the cause of action
12 accrues, and not after.

13 (b) All complaints against carriers for the recovery
14 of damages not based on overcharges shall be filed with the
15 Commission within one year from the time the cause of ac-
16 tion accrues, and not after, subject to subsection (d) of this
17 section.

18 (c) For recovery of overcharges action at law shall
19 be begun or complaint filed with the Commission against
20 carriers within one year from the time the cause of action
21 accrues, and not after, subject to subsection (d) of this
22 section, except that if claim for the overcharge has been
23 presented in writing to the carrier within the one-year period
24 of limitation said period shall be extended to include one
25 year from the time notice in writing is given by the carrier

1 to the claimant of disallowance of the claim, or any part or
2 parts thereof, specified in the notice.

3 (d) If on or before expiration of the period of limita-
4 tion in subsection (b) or (c) a carrier begins action under
5 subsection (a) for recovery of lawful charges in respect of
6 the same service, or, without beginning action, collects
7 charges in respect of that service, said period of limitation
8 shall be extended to include ninety days from the time such
9 action is begun or such charges are collected by the carrier.

10 (e) The cause of action in respect of the transmission
11 of a message shall, for the purposes of this section, be deemed
12 to accrue upon delivery or tender of delivery thereof by
13 the carrier, and not after.

14 (f) A petition for the enforcement of an order of the
15 Commission for the payment of money shall be filed in the
16 district court or the State court within one year from the
17 date of the order, and not after.

18 (g) The term "overcharges" as used in this section
19 shall be deemed to mean charges for services in excess of
20 those applicable thereto under the schedules of charges law-
21 fully on file with the Commission.

22 PROVISIONS RELATING TO ORDERS

23 SEC. 416. (a) Every order of the Commission shall
24 be forthwith served upon the designated agent of the car-

1 rier in the city of Washington or in such other manner
2 as may be provided by law.
3 (b) Except as otherwise provided in this Act, the
4 Commission is hereby authorized to suspend or modify its
5 orders upon such notice and in such manner as it shall deem
6 proper.
7 (c) It shall be the duty of every person, its agents and
8 employees, and any receiver or trustee thereof, to observe
9 and comply with such orders so long as the same shall
10 remain in effect.

11 **TITLE V—PENAL PROVISIONS—FORFEITURES**

12 GENERAL PENALTY

13 SEC. 501. Any person who willfully does or causes or
14 suffers to be done any act, matter, or thing, in this Act pro-
15 hibited or declared to be unlawful, or who willfully omits or
16 fails to do any act, matter, or thing in this Act required to be
17 done, or willfully causes or suffers such omission or failure,
18 shall, upon conviction thereof, be punished for such offense,
19 for which no penalty (other than a forfeiture) is provided
20 herein, by a fine of not more than $10,000 or by imprison-
21 ment for a term of not more than three years, or both.

22 VIOLATIONS OF RULES, REGULATIONS, ETC.

23 SEC. 502. Any person who violates any rule, regula-
24 tion, restriction, or condition made or imposed by the Com-
25 mission under authority of this Act, or any rule, regulation,

1 restriction, or condition made or imposed by any inter-
2 national radio or wire communications treaty or conven-
3 tion, or regulations annexed thereto, to which the United
4 States is or may hereafter become a party, shall, in addition
5 to any other penalties provided by law, be punished, upon
6 conviction thereof, by a fine of not more than $500 for each
7 and every day during which such offense occurs.

8 FORFEITURE IN CASES OF REBATES AND OFFSETS

9 SEC. 503. Any person who shall deliver messages for
10 interstate or foreign transmission to any carrier, or for
11 whom as sender or receiver, any such carrier shall trans-
12 mit any interstate or foreign wire or radio communication,
13 who shall knowingly by employee, agent, officer, or other-
14 wise, directly or indirectly, by or through any means or device
15 whatsoever, receive or accept from such common carrier any
16 sum of money or any other valuable consideration as a
17 rebate or offset against the regular charges for transmission
18 of such messages as fixed by the schedules of charges pro-
19 vided for in this Act, shall in addition to any other penalty
20 provided by this Act forfeit to the United States a sum of
21 money three times the amount of money so received or
22 accepted and three times the value of any other consideration
23 so received or accepted, to be ascertained by the trial court;
24 and in the trial of said action all such rebates or other con-
25 siderations so received or accepted for a period of six years

1 prior to the commencement of the action, may be included
2 therein, and the amount recovered shall be three times the
3 total amount of money, or three times the total value of such
4 consideration, so received or accepted, or both, as the case
5 may be.

6 PROVISIONS RELATING TO FORFEITURES

7 SEC. 504. The forfeitures provided for in this Act
8 shall be payable into the Treasury of the United States, and
9 shall be recoverable in a civil suit in the name of the United
10 States, brought in the district where the person or carrier has
11 its principal operating office, or in any district through which
12 the line or system of the carrier runs. Such forfeitures shall
13 be in addition to any other general or specific penalties herein
14 provided. It shall be the duty of the various district attor-
15 neys, under the direction of the Attorney General of the
16 United States, to prosecute for the recovery of forfeitures
17 under this Act. The costs and expenses of such prosecutions
18 shall be paid from the appropriation for the expenses of the
19 courts of the United States.

20 VENUE OF OFFENSES

21 SEC. 505. The trial of any offense under this Act shall
22 be in the district in which it is committed; or if the offense is
23 committed upon the high seas, or out of the jurisdiction of
24 any particular State or district, the trial shall be in the
25 district where the offender may be found or into which he

1 shall be first brought. Whenever the offense is begun in
2 one jurisdiction and completed in another it may be dealt
3 with, inquired of, tried, determined, and punished in either
4 jurisdiction in the same manner as if the offense had been
5 actually and wholly committed therein.

6 **TITLE VI—MISCELLANEOUS PROVISIONS**

7 TRANSFER TO COMMISSION OF DUTIES, POWERS, AND
8 FUNCTIONS UNDER EXISTING LAW

9 SEC. 601. (a) All duties, powers, and functions of the
10 Interstate Commerce Commission under the Act of August
11 7, 1888 (25 Stat. 382), relating to operation of telegraph
12 lines by railroad and telegraph companies granted Govern-
13 ment aid in the construction of their lines, are hereby
14 imposed upon and vested in the Commission: *Provided,* That
15 such transfer of duties, powers, and functions shall not be
16 construed to affect the duties, powers, functions, or jurisdic-
17 tion of the Interstate Commerce Commission under, or to
18 interfere with or prevent the enforcement of, the Interstate
19 Commerce Act and all Acts amendatory thereof or supple-
20 mental thereto.

21 (b) All duties, powers, and functions of the Post-
22 master General with respect to telegraph companies and tele-
23 graph lines under any existing provision of law are hereby
24 imposed upon and vested in the Commission.

1 REPEALS AND AMENDMENTS

2 SEC. 602. (a) The Radio Act of 1927, as amended,
3 is hereby repealed.

4 (b) The provisions of the Interstate Commerce Act,
5 as amended, insofar as they relate to communication by wire
6 or wireless, or to telegraph, telephone, or cable companies
7 operating by wire or wireless, are hereby repealed.

8 (c) The last sentence of section 2 of the Act entitled
9 "An Act relating to the landing and operation of submarine
10 cables in the United States", approved May 27, 1921, is
11 amended to read as follows: "Nothing herein contained
12 shall be construed to limit the power and jurisdiction of
13 the Federal Communications Commission with respect to
14 the transmission of messages."

15 (d) The first paragraph of section 11 of the Act
16 entitled "An Act to supplement existing laws against
17 unlawful restraints and monopolies, and for other purposes",
18 approved October 15, 1914, is amended to read as follows:

19 "SEC. 11. That authority to enforce compliance with
20 sections 2, 3, 7, and 8 of this Act by the persons respec-
21 tively subject thereto is hereby vested: In the Interstate
22 Commerce Commission where applicable to common carriers
23 subject to the Interstate Commerce Act, as amended; in
24 the Federal Communications Commission where applicable
25 to common carriers engaged in wire or radio communica-

1 tion or radio transmission of energy; in the Federal Reserve
2 Board where applicable to banks, banking associations, and
3 trust companies; and in the Federal Trade Commission
4 where applicable to all other character of commerce, to be
5 exercised as follows:".

6 TRANSFER OF EMPLOYEES, RECORDS, PROPERTY, AND
7 APPROPRIATIONS

8 SEC. 603. (a) All officers and employees of the Federal
9 Radio Commission (except the members thereof, whose
10 offices are hereby abolished) whose services in the judgment
11 of the Commission are necessary to the efficient operation
12 of the Commission are hereby transferred to the Commis-
13 sion, without change in classification or compensation; ex-
14 cept that the Commission may provide for the adjustment
15 of such classification or compensation to conform to the
16 duties to which such officers and employees may be assigned.

17 (b) There are hereby transferred to the jurisdiction
18 and control of the Commission (1) all records and prop-
19 erty (including office furniture and equipment, and includ-
20 ing monitoring radio stations) under the jurisdiction of the
21 Federal Radio Commission, and (2) all records under the
22 jurisdiction of the Interstate Commerce Commission and of
23 the Postmaster General relating to the duties, powers, and
24 functions imposed upon and vested in the Commission by
25 this Act.

1 (c) All appropriations and unexpended balances of
2 appropriations available for expenditure by the Federal
3 Radio Commission shall be available for expenditure by
4 the Commission in the same manner and to the same extent
5 as if the Commission had been named in the laws making
6 such appropriations.

7 EFFECT OF TRANSFERS, REPEALS, AND AMENDMENTS

8 SEC. 604. (a) All orders, determinations, rules, regu-
9 lations, permits, contracts, licenses, and privileges which
10 have been issued, made, or granted by the Interstate Com-
11 merce Commission, the Federal Radio Commission, or the
12 Postmaster General, under any provision of law repealed or
13 amended by this Act or in the exercise of duties, powers, or
14 functions transferred to the Commission by this Act, and
15 which are in effect at the time this section takes effect, shall
16 continue in effect until modified, terminated, superseded, or
17 repealed by the Commission or by operation of law.

18 (b) Any proceeding, hearing, or investigation com-
19 menced or pending before the Federal Radio Commission,
20 the Interstate Commerce Commission, or the Postmaster
21 General, at the time of the organization of the Commission,
22 shall be continued by the Commission in the same manner
23 as though originally commenced before the Commission, if
24 such proceeding, hearing, or investigation (1) involves the
25 administration of duties, powers, and functions transferred

1 to the Commission by this Act, or (2) involves the exercise
2 of jurisdiction similar to that granted to the Commission
3 under the provisions of this Act.

4 (c) All records transferred to the Commission under
5 this Act shall be available for use by the Commission to the
6 same extent as if such records were originally records of
7 the Commission. All final valuations and determinations
8 of depreciation charges by the Interstate Commerce Com-
9 mission with respect to common carriers engaged in radio or
10 wire communications, and all orders of the Interstate Com-
11 merce Commission with respect to such valuations and de-
12 terminations, shall have the same force and effect as though
13 made by the Commission under this Act.

14 (d) The provisions of this Act shall not affect suits
15 commenced prior to the date of the organization of the
16 Commission; and all such suits shall be continued, proceed-
17 ings therein had, appeals therein taken, and judgments
18 therein rendered, in the same manner and with the same
19 effect as if this Act had not been passed. No suit, action,
20 or other proceeding lawfully commenced by or against any
21 agency or officer of the United States, in relation to the
22 discharge of official duties, shall abate by reason of any
23 transfer of authority, power, and duties from such agency
24 or officer to the Commission under the provisions of this
25 Act, but the court, upon motion or supplemental petition

1 filed at any time within twelve months after such transfer,
2 showing the necessity for a survival of such suit, action,
3 or other proceeding to obtain a settlement of the questions
4 involved, may allow the same to be maintained by or
5 against the Commission.

6 UNAUTHORIZED PUBLICATION OF COMMUNICATIONS

7 SEC. 605. No person receiving or assisting in receiving
8 any interstate or foreign communication by wire or radio
9 shall divulge or publish the existence, contents, substance,
10 purpose, effect, or meaning thereof, except through
11 authorized channels of transmission or reception, to any
12 person other than the addressee, his agent, or attorney,
13 or to a person employed or authorized to forward such
14 communication to its destination, or to proper account-
15 ing or distributing officers of the various communicating
16 centers over which the communication may be passed,
17 or to the master of a ship under whom he is serving,
18 or in response to a subpena issued by a court of competent
19 jurisdiction, or on demand of other lawful authority; and no
20 person not being authorized by the sender shall intercept any
21 communication and divulge or publish the existence, con-
22 tents, substance, purport, effect, or meaning of such inter-
23 cepted communication to any person; and no person not
24 being entitled thereto shall receive or assist in receiving any
25 interstate or foreign communication by wire or radio and use

1 the same or any information therein contained for his own
2 benefit or for the benefit of another not entitled thereto; and
3 no person having received such intercepted communication
4 or having become acquainted with the contents, substance,
5 purport, effect, or meaning of the same or any part thereof,
6 knowing that such information was so obtained, shall divulge
7 or publish the existence, contents, substance, purport, effect,
8 or meaning of the same or any part thereof, or use the same
9 or any information therein contained for his own benefit or
10 for the benefit of another not entitled thereto: *Provided,*
11 That this section shall not apply to the receiving, divulging,
12 publishing, or utilizing the contents of any radio communi-
13 cation broadcast, or transmitted by amateurs or others for
14 the use of the general public, or relating to ships in distress.

15 WAR EMERGENCY—POWERS OF PRESIDENT

16 SEC. 606. (a) During the continuance of a war in which
17 the United States is engaged, the President is authorized,
18 if he finds it necessary for the national defense and security,
19 to direct that such communications as in his judgment may
20 be essential to the national defense and security shall have
21 preference or priority with any carrier subject to this Act.
22 He may give these directions at and for such times as he may
23 determine, and may modify, change, suspend, or annul
24 them and for any such purpose he is hereby authorized to
25 issue orders directly, or through such person or persons as he

1 designates for the purpose, or through the Commission. Any
2 carrier complying with any such order or direction for pref-
3 erence or priority herein authorized shall be exempt from
4 any and all provisions in existing law imposing civil or
5 criminal penalties, obligations, or liabilities upon carriers by
6 reason of giving preference or priority in compliance with
7 such order or direction.

8 (b) It shall be unlawful for any person during any
9 war in which the United States is engaged to knowingly
10 or willfully, by physical force or intimidation by threats of
11 physical force, obstruct or retard or aid in obstructing or
12 retarding interstate or foreign communication by radio or
13 wire. The President is hereby authorized, whenever in his
14 judgment the public interest requires, to employ the armed
15 forces of the United States to prevent any such obstruction
16 or retardation of communication: *Provided,* That nothing
17 in this section shall be construed to repeal, modify, or affect
18 either section 6 or section 20 of an Act entitled "An Act to
19 supplement existing laws against unlawful restraints and
20 monopolies, and for other purposes", approved October 15,
21 1914.

22 (c) Upon proclamation by the President that there
23 exists war or a threat of war or a state of public peril or
24 disaster, or in order to preserve the neutrality of the United

1 States, the President may suspend or amend, for such time
2 as he may see fit, the rules and regulations applicable to
3 any or all offices and stations for wire or radio communi-
4 cation within the jurisdiction of the United States as pre-
5 scribed by the Commission, and may cause the closing
6 of any such office or station and the removal therefrom of
7 its apparatus and equipment, or he may authorize the use
8 or control of any such office or station and/or its apparatus
9 and equipment by any department of the Government under
10 such regulations as he may prescribe, upon just compen-
11 sation to the owners.

12 (d) The President shall ascertain the just compensa-
13 tion for such use or control and certify the amount ascer-
14 tained to Congress for appropriation and payment to the
15 person entitled thereto, but no allowance shall be included
16 for the use of any radio frequency. If the amount so cer-
17 tified is unsatisfactory to the person entitled thereto, such
18 person shall be paid only 75 per centum of the amount and
19 shall be entitled to sue the United States to recover such
20 further sum as added to such payment of 75 per centum will
21 make such amount as will be just compensation for the use
22 and control. Such suit shall be brought in the manner
23 provided by paragraph 20 of section 24, or by section 145
24 of the Judicial Code, as amended.

1 EFFECTIVE DATE OF ACT

2 SEC. 607. This Act shall take effect upon the organi-
3 zation of the Commission, except that this section and sec-
4 tions 1 and 4 shall take effect upon the enactment of this
5 Act. The Commission shall be deemed to be organized
6 upon such date as three members of the Commission have
7 taken office.

8 SEPARABILITY CLAUSE

9 SEC. 608. If any provision of this Act or the applica-
10 tion thereof to any person or circumstance is held invalid,
11 the remainder of the Act and the application of such pro-
12 visions to other persons or circumstances shall not be affected
13 thereby.

14 SHORT TITLE

15 SEC. 609. This Act may be cited as the "Communi-
16 cations Act of 1934."

73d CONGRESS
2d SESSION

S. 3285

A BILL

To provide for the regulation of interstate and foreign communications by wire or radio, and for other purposes.

By Mr. DILL

MARCH 28 (calendar day, APRIL 4), 1934
Read twice and referred to the Committee on Interstate Commerce